THE MERCHANTS' MAGAZINE AND COMMERCIAL REVIEW.

APRIL, 1869.

THE GOLD PREMIUM.

The recent decline in the gold premium deserves attention, as it appears to be the result of causes of more than ordinary importance. The following statement of the range of the price, each March since the suspension of specie payments, will show that the premium is now exceptionally low for this period of the year:

PRICE OF GOLD AT NEW YORK IN MARCH.

	Highest	Lowest.
1869	132	130⅝
1868	141¼	137⅞
1867	140⅝	133⅜
1866	136⅛	124⅞
1865	201	148¼
1864	169¾	159
1863	171¾	139

Only in 1866, when the contraction bill was under consideration in Congress, has the premium been so low in March as in the present month. Nor has the present decline to 130⅝ to 132 been the result of speculation; on the contrary, it has come about in opposition to an unusually strong speculative effort to carry up the price. It is necessary to understand clearly the cause of this decline, in order to judge how far it is likely to prove permanent.

Aside from our present currency derangements, the consideration above all others affecting the value of gold is the standing of the Government credit; and it is rather in influences of this character that we are to look for the reasons of the present change of the price than in any speculative or other market causes. Congress has recently taken a pronounced position upon questions of finance which has a very direct tendency to bespeak public confidence in the good faith of the Government. After a vigorous agitation of schemes savoring strongly of partial repudiation, during which there was more or less apprehension among the public creditors, we find our national Legislature undertaking to supply specific antidotes to these fears. As our readers are aware, a bill has become law which provides that all obligations of the United States, except when otherwise expressly stipulated, are payable in coin or its equivalent; and, to provide against the fear of an attempt being made to pay off Five-twenty bonds before maturity, in a depreciated currency, it is declared that no bonds shall be paid before maturity unless the government shall at the time have resumed specie payments. This affords the utmost assurance Congress could give that the holders of our securities shall receive their claims in full and according to their own interpretation. But, if at home, where the ultimate good faith of the Government was never seriously doubted, this action has had a perceptible effect, how much more important results might we not anticipate in Europe, where the misgivings upon this point have been so decided that our bonds have generally been held at an equivalent to their face value in currency, so that, in the event of their being paid in that form, the holders would lose nothing on the principal? Now, therefore, that Congress has interpreted the precise import of the contract between the government and the bondholders in a sense much more favorable than the foreign holders had generally anticipated, there has been a rapid appreciation in the value of our securities abroad. Five-twenties have advanced 8 per cent since the beginning of February, and from that date to the present probably not less than $40,000,000 of bonds have been exported. English investors, who hitherto have scouted over national credit, have now become free buyers of our securities; and in France also the demand has very largely increased. This appreciation of the public credit abroad has in various ways tended to depreciate the price of gold. The honesty of the policy endorsed by such large majorities in Congress, has had a very direct influence in strengthening the value of every form of Government obligation, and naturally encourages confidence in the purpose of Congress to provide for the earliest practical resumption of payment of its notes, and to oppose the wild schemes for further inflation which have heretofore found advocates. Again, the large amount of bonds sent out has enabled us to keep

at home so much gold which would otherwise have been remitted in settlement of trade balances; and which, again, by increasing our home supply of coin is placing us in so much better condition for contemplating resumption. These influences enhancing the public credit are not only leading foreigners to invest largely in our Government securities, are tending to strengthen confidence in our corporate securities; and hence we have witnessed, simultaneously with the export of government bonds, unusually large shipments of railroad stocks and bonds; which again reduces our exports of specie.

Appearances very strongly indicate that we have not yet seen the full effect abroad of the attitude assumed by Congress upon the debt and resumption questions. It is predicted with much confidence, by those most familiar with the European markets, that foreign investors will now be prepared to hold our bonds at par in American coin, and that further large amounts will be called for. However this may be, it is clear that the already changed value of our bonds abroad places the credit of the Government upon a higher basis; and this fact is a sufficient basis for anticipating that the gold premium, all things being equal, will hereafter permanently range at a lower level; while, in the event of a still further advance in bonds abroad, a corresponding further yielding in gold might be reasonably expected to follow.

We have alluded to these considerations because it appears that there are many who do not yet fully comprehend the changed position of the premium growing out of the appreciation of the public credit. It is not to be overlooked, further, that the action of Congress relative to the payment of the debt may lead, earlier than is generally expected, to very important results in connection with funding. Should, for instance, the present advancing tendency in bonds finally carry them up to a point equal to par for a 5 per cent coin bond, we should then have solved the problem of reducing the interest upon the debt. Without of course predicting that such will be the actual result, it may be assumed that we have entered upon the road running in that direction; and it is only a question of time and of prudence on the part of Congress when we may reach the goal.

But while these influences have a very direct tendency to place the gold premium upon a permanently lower level, there are yet contingencies which may hold this drift in check. For several weeks past, our imports have been upon a large scale and much in excess of those of last year; while our exports have been unusually limited; if, therefore, the foreign markets should not take any further important amount of bonds, we may have to export considerable specie during the Spring; and this consideration is the more important from the fact that the exports of

cotton are likely to prove lighter than was expected. During the months of April, May, June and July, our heaviest shipments of coin are usually made. During those four months of 1868, we exported $44,400,000 specie from this port alone; in 1867, $31,500,000; and in 1866, $46,000,000. The course of the foreign trade movement would seem to be in favor of equally large shipments this year; but, as before intimated, it remains to be seen how far we may be able to substitute bonds for gold in our remittances. Any advance in the rate of interest by the Bank of England, which seems not improbable, would prove unfavorable to a low premium, as it might induce the sending home of securities now being carried in Europe on account of New York capitalists. The still unsettled condition of the Alabama question, and the possibility of difficult issues being raised in connection therewith, and the diplomatic dangers arising from attempts to involve our Government in the Cuban insurrection, are also to be counted among the contingencies favoring speculation for a higher premium. But, allowing for all these influences, we think it may be safely concluded that, within the last three months, the premium has taken a permanent downward step of several points.

TAXING WALL STREET.

The State Legislature appears to have become desirous of emulating the example set them by some of our revenue officers and other officials, in heaping burdens upon our bankers and brokers. The Internal Revenue law imposes toll upon these interests at every turn. Collector Webster has made a new interpretation of the tax laws, under which the loans of bankers and brokers are called capital, and subjected to an onerous duty; Congress has passed an act prohibiting the certification of checks, thus seriously interfering with and (if Banks did not avoid the law) crippling their business; and now a member of our State Legislature, thinking the poor bird is not quite plucked of all its feathers, proposes to draw out of him for the State Government the further sum of $1,500,000 per annum. Accordingly a bill has been introduced at Albany which proposes to impose on all brokers and on bankers acting as brokers a tax of $50; and also upon all sales of gold, silver, bullion, foreign exchange, stocks, and bonds, a duty of 1-20th of 1 per cent on the par value. The proposal is such as might have been expected from a rural politician, who is not supposed to have any other idea about Wall street than that there is considerable money there, and that the State has a peculiar right to appropriate it toward defraying its liberal expenditures.

It is high time, however, that this highwayman's notion of taxation—

to seize money where it happens to be most abundant—were unlearned at least among men holding the responsible position of law makers. An idea very generally prevails that the business of Wall street is merely a system of demoralizing speculation, to be tolerated in much the same way as we should tolerate gambling; but which cannot be overtaxed, simply because so far as taxes may injure its interests they repress a public evil. This vulgar notion finds countenance too much among our legislators; and they are all the readier to embody it into a law from the fact that such laws awaken a responsive chord in popular prejudice. This hostility, however, is simply the result of misconception as to the part that bankers and brokers play in the vast system of commercial and financial exchanges. There is doubtless a certain amount of speculation there based upon factitious occasions, as there is in every branch of business where values are subject to frequent fluctuations. But, at the same time, there is much speculation that is legitimate and wholesome in its results. The perpetual changes in the affairs of corporations are reflected in the fluctuating value of their shares; and how is it to be shown that the purchase or sale of stocks, in accordance with these fluctuations, is illegitimate. The holders of shares are the owners of the properties represented by the stock; and what objection can be urged to the transfer of proprietorship, according to the varying estimate of value between buyers and sellers? The corporate property represented on the stock boards amounts to several hundreds of millions; and considering the many influences directly and indirectly affecting the value of this enormous amount of securities, the wonder is not so much, that large amounts of shares daily change hands in the way of speculation and occasionally with much excitement, but that the transfers are not more frequent and the excitement greater. The men who speculate in stocks are they who watch the movements in our vast transportation system, in our mining operations, in our telegraphs and in our state and federal finances. They are, to a large extent the owners of the capital invested in these enterprises. They change their proprietorship according to their varying estimate of the value of the several investments; one day employing their capital in one company and the next in another, but all the time contributing their quota toward keeping the commercial machinery of the nation in action. Their operations hold out a constant inducement to the organization of remunerative enterprises, and act as a check upon losing ventures. Any scheme which promises a fair return upon the capital invested can find ready takers of its stock among those so-called speculators; while such as are dubious find Wall street a poor market for their shares. Without the agency of this interest, it would have been found impossible to float the immense corporate enterprises to which our national progress is so largely due Wall

street, in short, is the source and reservoir of capital seeking employment in those associate undertakings which exceed the resources of private enterprise, and without which our commercial and industrial operations must have been confined within dwarfish limits.

In this view of the scope of Wall street operations, what is there to justify the disposition shown by legislators—statesmen we cannot call them—to cripple and over-tax this special interest? These taxes are direct imposts upon corporate enterprise and upon credit operations. To tax the accumulated capital of the country is to lessen the inducement to employ it, and therefore to strike industry at its root. To tax the transfer of securities tends to prevent them from passing into the hands of those to whom they are most valuable, and so far acts injuriously upon associated enterprise. The tendency of capital is always to seek the most productive employment; it will forsake one investment for another, for the most fractional advantage; and a very light impost upon these transfers consequently suffices to prevent the immense capital of Wall street from reaching the utmost attainable remuneration. To place this embargo upon the great money centre of the country has a most serious effect in disqualifying us for competing with the capital of other nations, and has a very direct tendency to drive capital out of the country. It is poor statesmanship which allows a democratic prejudice against capitalists to find expression in legislation calculated to fetter the movements of capital, by the free exchanges of which all classes and interests are mutually benefited.

CONGRESS AND CURRENCY REDEMPTION.

If the numerous projects which have been offered in Congress of late to reform our banking system prove nothing else, it is but fair to argue from them, that there is in the public mind some dissatisfaction with the practical working of the National Banking Law. As regards the currency privileges of the banks, the complaints which are most frequently and most loudly heard, address themselves to three distinct points, namely the large profits made by the banks on their notes, the unequal distribution of these notes among the several states, and the disturbance of the money market in consequence of the bad arrangements for redeeming the notes at the financial centres.

First, it is claimed that the banks make too much profit on their circulation. To remedy this, some persons are in favor of substituting greenbacks, depriving the national banks of their currency privileges, and restoring to the government the sole prerogative of issuing notes to circulate as money. Other reformers would be satisfied to leave the banks

in possession of their currency powers; provided that, by a heavy tax on their circulation, these institutions shall be compelled to share their profits with the National Treasury. To accomplish the same end others have preferred to reduce to 4 per cent the rate of interest on the bonds held in Washington as security for national bank currency. Such are some of the projects which have originated in this first charge against the banks.

A second complaint is as to the injustice of the distribution of the currency privilege among the different states. For reasons which have been frequently discussed in these columns, certain officials in Washington took the liberty of awarding and apportioning to some of the richer States a larger part of the 300 millions of notes than those States could claim as their fair allotment. This injustice was rendered the more easy by ambiguities in the three first laws which were passed by Congress to regulate the National banks. Moreover, in consequence of the war the Southern States were debarred, most of them, from the privilege of sharing in the currency distribution. The New England States, however, were on the alert, and old and long established State banks ceased to issue their notes, and qualified themselves under the new law to receive and issue National Bank currency.

Just now, however, the troubles in Wall street give greater prominence to the third set of charges against the banks, which arise out of the oft-recurring stringency in the money market. The derangement that these financial spasms produce in the business of the country, the loss which they inflict upon individuals, the depression they force on our industrial interests, the frequent checks they give to the development of our productive powers, and the absolute certainty that a better banking system would be a certain safeguard against such disgraceful disturbance of the financial equilibrium—all these motives combine to create dissatisfaction with our banks which may hereafter prove dangerous to the permanency of some at least of their valuable franchises. What changes are needful to correct this tendency to alternate stringency and excessive ease we do not undertake to say. It would, however, be easy to show that a valuable tonic for preventing this succession of excitement and depression, of fever and chill, would be the enforced redemption of all bank notes at New York. This remedy, however, has always been opposed by the combined force of the National banks whenever it has been proposed in Congress.

From what has been said one or two inferences for the practical guidance of legislation are sufficiently evident. First, that much more radical measures of bank reform are necessary than are contemplated in any of the bills before Congress at present. Secondly, that a Congressional committee may with advantage be appointed to inquire into the relations of

the banks with the money market, and especially into the reports that certain banks help to exaggerate the periodical stringency which now and then recurs, in order that they may gain larger profits. These points are of vital interest; they press for immediate solution. Many other measures of banking reform can wait their time, and can indeed be better dealt with afterwards.

UNIFICATION OF COINAGE.

The following is a copy of a letter addressed to the late Secretary of the Treasury, and by the Secretary submitted to Congress in February last. It has not yet been printed or made public, and we therefore make room for it, as it contains suggestions of special interest at this time.

To the Hon. HUGH McCULLOCH,
Secretary of the Treasury.

SIR—Having been appointed by the President, a Commissioner to examine and test the coinage at our mints, and acted with the Commission whose official report was signed this afternoon, I avail myself of the occasion to suggest some changes, which I believe will subserve the interests of the United States.

The Committees of the Commission engaged in weighing and testing the coins of several mints, found some to vary a little in weight from the prescribed standard, and much time was lost in casting the fractions of the pennyweight and grain, and these computations must daily embarrass the officers of the mint.

To facilitate computations in future, I would respectfully recommend the introduction of the French weights already used by our chemists, and the substitution of the gramme for the pennyweight, to determine the weights of our coinage.

I would also suggest [that the late English Report on International Coinage states, that the average charges of the French and English mints for coinage is but $\frac{225}{1,000}$ of one per cent, while our charge in gold is half per cent, which has a tendency to send our bullion abroad uncoined, and for this and other reasons to be presented in this letter, would recommend a reduction of our charge to one-fourth of one per cent, which will assimilate it to the rates of France and England. While the cost of coining gold and silver varies with the amount coined from year to year, the aggregate result of our coinage of all coins yields a profit averaging more than $800,000, which is more than twice the annual expenditure, and most of the profit is derived from the inferior metals.

The chief coins now produced at the mints is the twenty-dollar piece,

or double eagle, and this coin is so often required that the production of it exceeds in value all other gold coins produced by our mints.

It is easily counted and examined, and is safe and convenient for transportation. This coin, however, is still imperfect. It contains pure gold 30.0926 grammes, and its entire weight is 33.4362 grammes. It thus presents two fractions, both of which are embarrassing, and I respectfully recommend the extinction of both of them and the reduction of the weight of pure gold in the double eagle to 30 grammes, and of the alloy to one-tenth of the gold, which will bring the entire weight of the piece to 33 grammes. This coin may then be easily weighed and tested.

The reduction in value by this change will not exceed three-tenths of one per cent or six cents, and of this amount five will be covered by the reduced charge for coinage, and the remaining cent may be more than covered by a change in the mode of paying for gold at the mint. It is now paid for after the assay and coinage, but I recommend that it be paid for as soon as it can be assayed on the day of delivery, by a check on the sub-treasuries of Philadelphia, or of New York or Boston, at the option of the seller, or in California by a check on the sub-treasury of San Francisco.

This will oblige the owners of the bullion, who are usually impatient, and will save them a part of the risk and cost of transportation, and doubtless increase the coinage.

Should these changes be adopted, I would recommend a discontinuance of the coinage of the dollar, two and half-dollar and three-dollar gold pieces. The first is too small and extra hazardous, and neither of the others is in the line of decimals of the double eagle.

In place of these unnecessary coins I recommend a two dollar piece, the smallest coin we can safely present in gold, and this coin is one-tenth of the double eagle. This coin should correspond in size with that convenient coin, the ten franc piece, now in extensive use abroad. It would also not materially differ in weight from the ducat of Venice and Holland, or from the seguin of Africa and the star pagoda of India.

As respects the silver coinage, gold is our standard, and I would suggest that our silver coinage should be in value from three to four per cent below the gold, or it will be drawn to other countries. Thus France, which has essayed to keep gold and silver at the same point, and to represent five francs both in silver and gold, has lost most of its large silver pieces and been obliged to debase its fractional coinage of silver.

As, however, the silver five franc piece of France is a convenient coin, contains 22½ grammes of pure silver and 2½ grammes of alloy, and weighs precisely 25 grammes. As it is also more than three per cent below the standard of our gold, I suggest the policy of adopting it for our

future dollar, and its sub-divisions for our fractional currency between the dime and the dollar, which will thus have weights represented by grammes and one or two decimals.

I recommend also, the introduction of a new silver coin equal in value to two dimes, to represent the tenth of the two dollar piece, and the hundredth of the double eagle, which will stand at the head of our coinage.

I venture also to suggest a change in the nomenclature of our coinage. I do not propose to discard the " almighty dollar," which has rendered this country signal service, and is still used so extensively in the South American Republics, but we cannot well represent it in gold, and some of the names of gold coins in use or proposed are long and inconvenient, and will not be easily understood or translated in foreign lands.

The name of "twenty dollar piece" or "double eagle," is altogether too long, and as it will be the chief representative of our coin and possibly of our country abroad, it is desirable to give it some name that shall be short, appropriate, expressive, and easily understood; a name, too, that has been sanctioned by use in coinage, and I respectfully suggest that such a name may be found for the double eagle in the "angel."

This is the ancient name of a valuable gold coin of England, that was of less intrisic value; it would probably, in its day, have bought as much as twenty dollars would buy to day in most parts of the world.

It is derived from the Greek angeios and Latin angelus, the messenger or minister of earth as well as heaven, and as, to most persons, the visits of such coins will be 'like angels visits, few and far between," but always welcome, the name seems appropriate. And may we not have the name of our country associated with that of angels, when our messenger goes out to invite the industrions artizian or laborer to embark for America. The name will be recognized without translation abroad.

In Great Britain and her colonies, as here, it is the—angel.

In Spain—angel.

In Italy—angelo.

In France—ange

In Germany, Austria and Denmark—engle.

And in Russia, which inherits the Greek Church, if not in use it may be easily acclimated.

I would suggest also that instead of using the term a two dollar piece, that we call it a ducat, the coin of Venice and Holland, when great, prosperous and commercial republics. It is derived, not from aristocracy, but from Dux, the leader of ancient Rome, is brief and euphonious.

I would also suggest that the fifty cent and twenty cent pieces be called florins and francs, names generally adopted in Europe, where they would at once be recognized. But names are comparatively immaterial.

I have taken two on the authority of Shakspeare and he tells us, that "a rose by any other name would smell as sweet," and if these are thought too fanciful or not American, we can easily fall back upon the dollar.

Thus have I endeavored to improve the coinage of America, both for our use upon this continent, most of which we shall occupy in the coming century, and with a view to the unification of the coinage of the world on the basis of the angle.

I am indebted to yourself for the suggestion that we must adopt the German in place of the French standard, and to Mr. Eliot of your department, for the fact, that the Union crown of Germany carried ten grammes of pure gold and that it was politic to drop the fraction of pure gold in the double eagle, and that three union crowns would then equal the double eagle.

I was apprized by him also that a trifling change in the new doubloon of Spain might indentify it with our half eagle.

It is obvious then, that if we perfect our angel, it will be worth as much as three Union crowns of Germany and the Baron Girolt suggests that if we adopt the German standard that Germany would probably at once unite with us and coin the angel and the ducat.

Austria still uses the Union crown but under the impresion that the French coinage would pervade the world is about to substitute the franc, but if the United States should adopt the German standard there is little reason to doubt that Austria would act in concert.

How is it with our friend and ally, the great Empire of Russia, which extends from the Baltic to our Northern frontier, and occupies so large a portion of Europe and Asia. She has already adopted the Austrian system, and twenty-five of her roubles carry thirty grammes of pure gold, and will be equivelent to the angel. It cannot, if the United States, Germany and Austria agree, be difficult to induce her to coin her twenty-five roubles into an angle and then convert two and a half roubles into a ducat.

As respects Spain, her new doubloon varies less than one half per cent from our half eagle and we may safely take four of them for an angle, and allow Spain to make a slight reduction by dropping a part of her fraction and come down to a decimal.

Since Senator Morgan defeated the plan of uniting with France, so well sustained by the Hon. J. B. Ruggles, England has declined to adopt the French system.

Her monetary commission has made an able adverse report, and the London *Economist*, a high authority, favors some union with the United States, and proposes to carry the pence in four pounds up to one thousand, and to strike a coin at that point, which would not vary from the angel more than the abrasion under which a coin may pass. England admits that we can

give the casting vote and would doubtless follow our lead, if her thirty millions of people are met by the combined force of 200 millions in the United States, Russia, Germany, Austria and Spain.

As respects France, while I defer to her admirable system of weights and measures, I would adopt them here, reserving only the mile, its halves and quarters, and the acres by which we are dividing this continent, it seems to me we can urge with great effect that she has not perfected her monetary system or applied to it her own improvements, and that neither France, Italy, Greece or Belgium, will stand aloof from other commercial nations.

Chevalier, the great French writer, has abandoned the idea of unification on the basis of the five franc piece of France; he concedes, in a recent letter, that it is out of the pale of the metrical system, and that France, out of respect to the metrical system, should abandon her gold pieces.

It may seem assuming for so young a nation as our own to take so prominent a part in this great question, but our population of thirty-nine millions exceeds that of Great Britain and also that of France. We produce more precious metals than either, and our system if improved as proposed will be the most perfect.

They have both copied many of our improvements, and if we take the weights and measures of the Old World, it seems to me, we can offer inducements to it to accept the coins of the New.

Thus have I ventured to sketch improvements and their beneficial results.

First. The adoption of the French weights.

Second. A reduction of the charge at the mint.

Third. The extinction of two fractions on the double eagle.

Fourth. The discontinuence of three unnecessary coins.

Fifth. The introduction of a new gold coin.

Sixth. The introduction of the franc and florin.

Seventh. A new nomenclature.

The measures I propose, must stand on their own merits, not on mine; doubtless they may be improved, and I shall welcome improvements, but some, if not all of them, may deserve the attention of Congress.

It has been the singular felicity of your life to take the helm of finance when the nation was overwhelmed with a debt of three thousand millions, chiefly floating and onerous taxes, at the close of a great contest, and in four years of peace you have paid one fifth of the debt, have reduced one-fourth the interest, have aided in extinguishing half the taxes and paved the way to further reductions and an early return to specie and leave behind you a surplus revenue of one hundred millions. At the close of your administration, I know it will afford you further satisfaction to present some plan that shall improve our own coinage and require no recoinage and contribute to unify the coinage of the world.

I have the honor to be, very respectfully,

E. H. DERBY.

THE PUBLIC DEBT.

Mr. Boutwell has promptly issued his first statement of the public debt for the month of March. We are glad to see that he has adopted the plan frequently recommended in the CHRONICLE, of reporting the accrued interest on each description of bonds. Formerly this important item was omitted, and in consequence the monthly schedule of the debt offered very inexact information on several important topics. Another of Mr. Boutwell's improvements which at once strikes the eye, is the more complete details which are reported about the multifarious descriptions of bonds that make up the debt. The meagre details which have been heretofore furnished by the official monthly statement have long been much complained of. The credit of the government has suffered, and the uprightness of the management of the Treasury has been questioned in numerous instances when during some monetary crisis, government bonds have been secretly put on the market. And these damaging results were all the more obstinate to overcome, because there was no method except the cumbersome plan of Congressional inquiry, for ascertaining whether the securities sold were bonds of 1881, of 1862, of 1864, or of some later date. Now, however, the greatest exactitude on all such questions can be arrived at without trouble, and with no more delay than the interval elapsing between two monthly official reports. It is fair to suppose that this change will give greater firmness to the quotations for government bonds; for it will remove from the market some of the chief causes of disturbance and depression. In the ranks of the speculators and cliques of capitalists who have so often enriched themselves by tampering with the government credit, Mr. Boutwell's new schedule may be regretted. But with the public generally, and among the multitudes of investors who hold five-twenties and other government bonds, it meets with hearty approval. It is indeed but natural that increased publicity should please the public.

From tables which appear elsewhere, our readers will see that no very considerable changes have taken place during the month of March. Had not the Pacific railroads received bonds to the amount of $2,915,320, the net reduction in the aggregate since February 28th would have been five and one half millions. The exact decrease is $2,573,039. It is, however, to be noted that this statement appears one week earlier than usual, and therefore contains the receipts of three weeks instead of four, this month however, this irregularity will disappear. Still the reduction of the debt in March is less by four millions than it otherwise would have been.

The total debt, deducting the cash in the Treasury is now $2,525,196,421. The Treasury balance amounts to 111 millions, of which no more than

$6,802,628 is in currency. This sum is a very small working balance for Mr. Boutwell to conduct his immense Treasury business. It is easy to see, however, why it has been allowed to run down. The money market for some time past has been extremely unsettled, and during the past week a spasm of great severity has prevailed. Under these circumstances it was necessary that Mr. Boutwell should give ease by letting his currency balance run low. Indeed, there is in Wall street a general belief that but for Mr. Boutwell's timely precaution the monetary stringency must have been far worse.

The aggregate of our national securities now outstanding amounts to $2,596,898,538. This prodigious sum represents the principal of our debt, and under the provisions of the public credit bill the amount is to be paid eventually in gold. An examination of our tables will show that about three-fourths of the whole debt bears interest at six per cent. The remainder, with the exception of 221 millions of five per cent gold bonds and 68 millions of currency bonds, consists of matured debt, greenbacks and other paper money, bearing no interest at all.

The amount of accrued interest on the 31st March was $39,303,916. Adding to this sum the principal of the debt, we have as the amount of our total obligations for principal and interest $2,636,202,455. As the cash in the Treasury amounts to $111,005,993, the net aggregate will, of course, be reduced by that sum, and will amount, as we said above, to about 2,525 millions dollars, or about two and one half millions less than the report of the preceding month. On the whole the statement before us may be pronounced as in form and substance very satisfactory.

NEW YORK AND HARLEM RAILROAD.

The New York and Harlem Railroad, as our readers are aware, extends from New York City to Chatham Four Corners 130.75 miles, and thence the cars pass over the Boston and Albany Railroad to Albany 24 miles further, making the whole distance from New York to Albany 154¾ miles. That portion of the line between Dover Plains and Chatham, 50½ miles, was paid for by what are termed "extension certificates," most of which are now held by the New York and Harlem Company. A branch road from Port Morris, on Long Island Sound, 2.12 miles in length, joins the main line about 9 miles north of New York City. The amount of second track and sidings on the line is 45½ miles. Gauge 4 feet 8½ inches. Rail used 56 to 64 lbs. to the yard. Some considerable quantity of steel rail have been laid. On October 1, 1868, the company had in use on their road 41 locomotives, 61 passenger cars, 40 baggage, mail and express

cars, and 723 freight cars. The city line cars, 93 in number, which run between the City Hall and the Passenger Depot, 26th street, are drawn by horses. The following shows the amount of rolling stock in use October 1, 1863–1868, inclusive:

	1863.	1864.	1865.	1866.	1867.	1868.
Locomotives	32	35	43	42	41	41
Cars: Passenger	31	40	60	59	71	81
Cars: Baggage, mail & express	11	17	23	23	37	40
Cars: Freight	481	561	587	622	596	723
City-line cars	45	69	69	73	73	93

The results of operations for the year ending September 30, 1868, were as follows: The distance run by locomotives hauling cars was (passenger 383,907, freight 340,468, and other 21,845,) 746,220 miles. The trains of the New York and New Haven Company, which are tolled over that part of the line between Williamsbridge and New York City, run 210,583 miles. The city line (horse) cars run 885,141 miles. The number of passengers carried was, (regular 1,275,704, and commuting 391,814) 1,667,578, and the numbers of passengers carried one mile was, (regular 24,781,777 and commuting 4,850,250) 29,632,027. The city line carried 7,090,197 passengers. The amount of freight transported was 287,552 tons, or 15,852,537 tons one mile. The gross earnings from all sources, including $261,330 from the New Haven Company, amounted to $2,756,232, and the working expenses including taxes were $1,772,687, leaving for net earnings $983,545. This was paid out thus: interest $375,467, United States tax on earnings $27,655, and dividend $580,423. Eight per cent dividends have been paid for the last three years. The following is a recapitulation of the operations of the company for five years:

	1863-64.	1864-65.	1865-66.	1866-67.	1867-68.
Miles run by trains. Passenger	360,532	368,379	385,683	393,878	383,907
Freight	365,502	419,089	455,221	394,212	340,468
Service	33,219	33,897	18,584	26,589	21,845
Total	759,253	821,365	859,488	814,709	746,220
Miles by N. Y. & N. H. trains	184,957	196,011	204,407	212,197	210,581
City Line cars	785,916	804,612	960,641	913,146	885,143
Pass'gers. carried. Regular	994,298	1,085,916	1,113,982	1,207,486	1,275,764
Commuting	183,491	207,629	293,550	373,345	391,814
Total	1,177,789	1,243,545	1,407,532	1,580,831	1,667,578
City Line passengers	5,795,288	7,193,476	7,391,683	7,049,823	7,090,197
Pass'gers carried one mile. Regular	17,127,869	33,901,143	25,739,004	24,646,963	24,781,777
Commuting	3,814,762	4,192,210	4,845,306	4,783,750	4,850,250
Total	20,942,631	38,093,353	30,584,310	29,430,713	29,632,027
Miles by C'y Line pas'rs	8,692,857	10,790,214	11,087,524	10,574,734	10,635,295
Tons of freight moved	236,467	239,603	298,208	264,428	287,552
Tons carried one mile	15,571,828	17,153,978	22,107,033	16,154,304	15,852,537
Gross Earnings. Passenger	$735,161	$1,053,315	$1,130,875	$1,086,842	$1,095,201
Freight	864,558	1,093,668	1,300,183	1,167,621	1,203,576
Other	260,709	352,712	352,641	434,158	452,455
Total	$1,860,428	$2,509,725	$2,783,699	$2,688,121	$2,756,232
Operating expenses	1,409,820	1,874,677	1,664,330	1,521,636	1,772,687
Net earnings (profits)	$450,608	$635,048	$1,119,369	$1,166,485	$983,545

In the following table we give certain deductions in relation to earnings and expenses for the same five years:

Per mile of road.. Earnings	14,002	18,888	20,930	20,231	20,744
Expenses	10,610	14,109	12,526	11,452	13,342
Profits	3,392	4,779	8,424	8,779	7,402
Expenses to earn—p. c	75.77	74.69	59.79	56.61	64.33

We have never seen a balance sheet of the Harlem Company's affairs, and assume that none was ever published. The following has been compiled from the yearly statements made to the State Engineer and Surveyor, and shows the financial condition of the company at the close of the fiscal years 1863–64 and 1867–68 inclusive:

	1864.	1865.	1866.	1867.	1868.
	$	$	$	$	$
Common stock	5,085,050	5,085,050	5,285,050	5,285,050	5,500,000
Preferred stock	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000
Funded debt	6,115,800	6,098,045	6,152,365	5,993,625	5,086,425
Extension certificates	62,500	59,500	27,500	18,500	16,500
Real estate mortgage	98,187	97,074	67,074	37,000	18,000
Total	12,861,487	12,839,669	13,031,989	12,834,175	12,120,825

Per contra: Road and property as follows:

Road and branch (82.87 m.)	7,510,739	7,708,611	7,946,064	8,491,685	8,537,597
Extension (50.50 m.)	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Equipment	1,105,299	1,469,957	1,492,481	1,563,697	1,702,855
Real estate	1,120,822	1,144,181	1,153,959	1,109,365	857,598
Cost of property	11,736,860	12,322,749	12,592,454	13,164,747	13,098,050

It will be perceived that the affairs of the company have materially improved during the last five years, the value of the property being now largely in excess of stock and bonds, whereas, in 1864 their relation was the reverse.

In the following exhibit we give a detailed description of the bonds of the company outstanding at the close of the last fiscal year:

Classes of Securities.	Interest Rate.	Interest Periods.	Date of Maturity.	Amount outstanding.
1st mortgage of 1853	7	May & Nov.	May 1, 1873.	$3,000,000
4th mortgage of 1461	7	June & Dec.	June 15, 1871.	99,500
Consolidated mortgage of 1868	6	Feb. & Aug.	Feb. 1, 1893.	1,767,000
Sinking fund of 1861	7	Jan. & July.	Jan. 1, 1881.	112,700
Unsecured bonds of 1853	7	Jan. & July.	July 1, 1872.	106,000
Past-due bonds	7	....	....	1,125
Total		....	....	$5,086,825

The Albany extension certificates bear 7 per cent interest, payable semi-annually, January 1 and July 1, and mature January 1, 1873. Of the original $2,000,000 of this issue only $16,500 now remain on the market.

Not many years ago Harlem stock was utterly without value. In January, 1860, it sold at 8¼@9½; 1861, at 15@16½; 1862, at 12¼@13½, and 1863 at 27½@49. In August, 1863, it ranged from 125 to 179; and in June, 1864, from 260 to 285. The cause of this rise in price was that extensive sales had been made, while scarcely a share could be bought for delivery. The whole stock was held by the few men who have since administered the affairs of the company with such consummate

skill that their stocks are now classed among the best in the country for investment. We give below a table showing the course of prices for the last six years:

Months.	1863.	1864.	1865.	1866.	1867.	1868.
January	27¾@ 49	86¾@105	..@..	..@..	..@..	112@130
February	82 @ 37¾	102 @137¾	. @ .	..@..	..@..	120@131½
March	85 @ 47	101 @152	..@..	. @ .	..@..	. @..
April	42¾@ 76¾	190 @285	. @..	..@ .	..@..	..@..
May	79 @116½	224 @281	..@..	..@..	95 @ 95	@ .
June	97½@109½	260 @285	..@..	..@..	100@100	122@127
July	92 @125	..@..	..@..	..@..	. @..	123 124
August	125 @179	..@..	..@..	@..	..@..	..@
September	115 @ 64½	..@..	. @..	..@..	112@115	121@124
October	80 @145	..@..	75@77	..@ .	..@..	..@..
November	88 @110	..@..	..@..	97@97	..@..	..@..
December	87½@ 93	..@ .	..@..	..@..	118@118½	120@128
Year	27¾@179	86¾@285	75 @77	97@97	95@118½	112@131½

ILLINOIS CENTRAL, PITTSBURG, FORT WAYNE & CHICAGO, AND CLEVELAND & PITTSBURG RAILROAD REPORTS.

The annual reports of these important companies have recently been made for the year ending December 31, 1868, and we shall present to our readers very soon articles at length upon each of them, comparing the operations of the year 1868 with those of several previous years. For the immediate information of parties interested, however, we give below a summary of the operations of each road for the year 1868:

ILLINOIS CENTRAL RAILROAD.

The President, in his report, gives the following summary of operations for the year 1868:

"The gross earnings of this railway for the year 1868 amount to $7,817,629 24, the operation expenses to $4,590,681 91, State taxes to $441,597 57, and rent of leased line in Iowa to $370,365 18, leaving net $2,414,984 58, against $2 480,567 72 in 1867. The per centage of expenses to earnings, including State taxes, is 64 37-100, against 65 6 10 in 1867.

"These figures include earnings over leased lines in Iowa, which amount to $1,019,698 72; operation expenses, $515,895 60; State taxes, $13,200 09, and rent $370,365 18, leaving a net profit of $127,076 79, after making liberal expenditures in improvements.

"The tonnage hauled in 1868 was 1,439,675 tons, against 1,300,835 tons in 1867; the average distance each ton was hauled being 203 miles in 1868 against 131 miles in 1867.

During the past year the amount paid for dividends, including government tax, was $2,461,568 42, being at the rate of 10 per cent on the capital stock; in addition to which stock was distributed to the stock

holders in August last, at the rate of eight per cent on the share capital, in accordance with a resolution passed at the last annual meeting of shareholders. The amount paid for interest on funded debt and sterling exchange was $755.716 92; and after paying State taxes, rent of leased line and all other claims upon the operations of the year, we had a balance on the first day of January, of net cash assets, amounting to $2,012,927 83, out of which a cash dividend of five per cent was paid during the present month. The stock of working supplies, inventoried at cost, amounts to $844,139 29. The funded debt was reduced $1,167,000, and amounted, on the 1st January, to $9,377,500.

"In the land department the collections amounted to $3,200,289 21, on account of old and new sales, of which $2,070,431 31 is applicable to the cancellation of construction bonds, $558,140 61 to Free Land fund, and $407,925 56 to Interest fund. The expenses for the year were $143,709 39. There were surrendered to the trustees during the year $1,832,500 of construction bonds, at a cost of $2,070,725 against the collections on that account. The amount of bonds now in their hands, in advance of deeds issued, is $4,423,819 of which $3,173,000 is in advance of collections. The sales were 207,008 37-100 acres to 2,776 purchasers, for $2,228,325 90, averaging $10 76 per acre. The total number of deeds issued up to the close of the year covered 1,124,446 86-100 acres of the original grant. The amount owing to the company for lands is $6,128,087 59. On most of the obligations for lands one or more payments have been made. This facilitates future collections, and I expect the receipts of the department during the present will be equal to those of the preceding year. There still remain unsold 526,690 46-100 acres of land, to which may be added about 96,504 acres (old sales) subject to cancellation. Of the lands sold during the past year 115,496 were located on the Chicago Branch, between Champaign and Kankakee.

"The net receipts from railway and land department during 1868 amounted to $5,451,775 75.

GENERAL STATEMENT CONDENSED FROM VARIOUS ACCOUNTS.

January 1, 1868:		*Dr.*
To balance of net cash assets as shown in last annual report......		$1,775,608 02
To gross earnings in 1868, in Illinois..............................	$6,797 930 52	
To gross earnings in 1868, in Iowa..................................	1,019,698 72	
		7,817,629 24
To net receipts of Land Department..................................		3,036,791 00
To amount of 6 per cent Sterling Redemption bonds, issued in exchange for 6 per cent Construction bonds....................		2,061,500 00
To increase of capital stock..		1,881,100 00
		$16,572,628 43
January 1, 1869:		
To balance brought down, consisting of net cash assets in New York and Chicago, and exclusive of the working stock of supplies		$2,012,927 83
December 31, 1868:		*Cr.*
By permanent expenditures...		$572.014 70
By operation expenses...		4,590,681 91
By tax paid the State of Illinois, being 7 per cent on the grossearnings for the year ending October 31, 1868......................		428,397 48

By tax paid the State Iowa on the gross earnings of leased line, to December 31, 1868	13,200 09
By rent of leased line in Iowa for the year ending December 31, 1868	370,365 18
By interest on funded debt	755,716 92
By dividends paid in 1868, being 10 per cent on the capital stock, and including United States tax	2,461,568 42
By stock distribution in August, 1868	1,871,100 00
By increase in working stock of supplies	28,104 20
By amount of bonds purchased and called in 1868	1,167,000 00
(Total reduction in funded debt in 1868.)	
By amount of Construction 6 per cents received in exchange for new Sterling Redemption bonds	2,061,500 00
By premium and commissions paid on bonds called, purchased and exchanged	240,051 70
By balance carried down	2,012,927 83
	$16,572,628 43

GENERAL BALANCE SHEET.

		Dr.
Permanent expenditures		$31,900,487 31
Interest and dividend account	$12,555,937 80	
Less avails of Interest Fund	3,381,050 75	
		9,174,887 05
Net cash assets New York	1,624,298 23	
Net cash assets, Chicago	388,629 60	
		2,012,927 83
Premium paid on bonds delivered Land department in anticipation		176,4[illegible]8 52
Working stock of supplies		844,139 29
		$44,108,880 00

		Cr.
Capital stock		$25,277,270 05
Cancelled bonds scrip		19,510 00
Funded Debt—		
Construction bonds due April 1, 1875, 7 per cent	$3,955,000 00	
" " " " 6 per cent	437,500 00	
Redemption bonds, due April 1, 1890	2,56[illegible],500 00	
Sterling Redemption bonds, due April 1, 1875	2,424,500 00	
		9,377,500 00
Bonds delivered Land department	12,607,500 00	
Less in hands of trustees	3,173,000 00	
		9,434,500 00
		$44,108,880 00

PITTSBURG, FORT WAYNE AND CHICAGO.

The report of this company shows the following earnings of the main line:

From local freights	$2,021,567 93	Miscellaneous sources	$11,430 35
Foreign freights	3,210,[illegible]89 80		
Local passengers	1,3[illegible]6,391 76	Total	$8,041,180 70
Foreign passengers	1,185,873 70	Gross earnings of main line in 1867	7,242,125 96
Express matter	119,973 00		
Mail service	93,900 00		
Rent of railway	85,000 00	Increase 11⅕ per cent	$799,054 74
Rent of other property	6,754 16		

The gross earnings per mile of road in 1868 were $17,171, being an increase of $1,706 29 per mile.

EXPENSES OF THE MAIN LINE.

For conducting transportation	$1,341,459 66	General expenses	397,161 41
Motive power	1,409,545 77		
Maintenance of way	1,257,735 45	Total	$5,002,110 60
Motive power	$596,208 31		

These expenses show an absorption of 62 1-5 per cent of the earnings which is 5 per cent less than in 1867.

The net earnings of the main line in 1868 were	$3,039,070 10
" " " " " 1867 "	2,378,553 89
Increase (23 3-5 per cent)	$660,516 21

SUMMARY OF NET RESULTS.

A summary of the net result of the company's business for the year is as follows:

Net earnings of main line		$3,039 070 10
Profit in operating New Castle Branch		60,789 75
" " the Lawrence Branch		3,101 12
Total net revenue		$3,102,960 97
From which deduct interest on mortgage debt		816,202 17
Sinking fund installments	$104,100 00	
Interest of bonds purchased by trustees of sinking funds	18,592 48—	122,692 48
Due Cleveland and Pittsburg Railroad Company under the contract for division of earnings		210,308 50
		$1,149,203 14
Balance equal to 16 5-6 per cent on the capital stock		1,935,165 35

DIVIDENDS.

From which has been paid four quartely dividends at the rate of 10 per cent per annum	$1,149,725 00
U. S. tax on the same	60,511 83
Total	$1,210,236 83
Leaving surplus for year	$743,520 99

To which add:

Increase of miscellaneous liabilities	$57,743 19	
Increase of amounts due for current expenditures	103,470 23	
Reduction of supplies on hand	22,102 86—	183,316 28
To be accounted for		926,837 27

APPROPRIATIONS.

Appropriated as follows:

New construction and equipment	$519,726 51	
Extension of Akron branch	50,685 31	
Increases of net amount due by other companies	21,541 15	
Increase of sinking fund	119,8 9 76	
Increase of miscellaneous assets	149,431 29	
Increase of cash on hand	65,603 25—	926,837 27

CLEVELAND AND PITTSBURG RAILROAD.

The report shows the following receipts in gross:

From Passengers	$609,362 12	
" Freight	1,610,331 16	
" Miscellaneous sources	83,667 52	
" P. F. W. & C. Railway—due this Co. in settlement of joint earnings	189,852 80	
Total		$2,493,213 60

From which deduct expenses:

For account Motive Power and Cars	$548,196 06	
" Maintenance of Way and Structures	403,113 13	
" Transportation Expenses	338,025 47	
" General Expenses	181,090 88	
Total		$1,470,425 54
And the net Receipts are		$1,022,788 06

From these have been paid:

Mortgage Interest, &c	$314,884 65	
Lease of Track P. F. W. and C. Railway	85,000 00	
Sinking Fund—Mortgage Bonds of 1900	25,000 00	
Total		$424,884 65
Leaving as the proceeds of the year's business		$597,903 41

Comparing these figures with those for the previous year—The gross receipts show an increase of $194,891 92, while the expenses notwithstanding the large increase of tonnage, show a decrease of $18,382 29, and the net income after payment of interest, lease and sinking fund, exceeds that of last year in the sum of $136,519 55.

DEBT AND FINANCES OF THE STATE OF NEW YORK, NO. 2.

In our MAGAZINE of March we showed from the official record that the debt of New York, exclusive of the contingent debt of $68,000, amounted in gross to $44,900,786.40, and that it was subdivided into three classes, viz.: the General Fund Debt, $4,707,826.40; the Canal Debt, $14,249,960; and the Bounty Debt, $25,943,000. The two debts first in order are provided for and will be paid principal and interest as they mature from the surplus revenues of the State Canals. The third class of debt is payable in 1877, and for its extinction a sinking fund has been created on the basis of a tax sufficient to accomplish that end. This tax is now three mills on the dollar of the taxable value of real estate and personal property. It is evident from these facts that in less than ten years the whole present debt of the State will be redeemed and that the canal revenues, unless charged with some new debt, will remain as a permanent source of relief to the general treasury, while, admitting of a reduction in the tolls to the benefit of ourselves and of the West.

At the present time the population of the State may be estimated at fully 4,000,000. The valuation of 1868, on which the taxes for 1868–69 are assessed, is $1,766,089,140, and the total taxation on this basis for that year will be $44,298,435.90, of which $2,207,611.42 (1¼ mill) is for school purposes and $8,035,705.59 (4.55 mills) was for State and debt purposes. The local taxes included in the aggregate amount to $8,525,-422.14 for towns and $25,529,696.45 for counties. The total amounts to 2.51 cents on the dollar valuation, but varies largely in the several counties, being as low as 0.95 in Wyoming County on a valuation of $9,001,-950, and as high as 5.67 in Hamilton County on a valuation of $468,381. In the following table we give the population, valuation, and taxation at quinquennial periods from 1845 :

	Population of State.	Valuation of property.	State taxes.	Local and school taxes.	Total taxes.	Rate per 1,000
1845	2,604,495	$605,646,095	$361,310	$3,809,218	$4,170,528	0.688
1850	3,097,394	727,494,583	364,004	5,948,783	6,312,787	0.867
1855	3,466,212	1,402,849,304	1,751,718	9,924,454	11,676,172	0.838
1860	3,880,733	1,419,297,529	4,376,167	14,579,857	18,956,024	1.335
1865	3,800,000	1,550,879,685	6,067,817	39,893,624	45,961,441	2.963
1868	4,000,000	1,766,089,140	8,035,706	36,262,730	44,298,436	2.502

It thus appears that taxation has outstripped largely the valuation on which it is based, the valuation having between 1845 and 1868 increased $1,160,443,045, or 191.6 per cent, while in the same period the increase in taxes has been $40,127,908, or 962.2 per cent, and the increase in rate 182 mills on the dollar, or 264.5 per cent. Between the same years the ratio of valuation to population has increased 89 9 per cent, and of tax-

ation to population has increased 587.9 per cent. This increase in taxation, however, is more apparent than real, for it is well known that the real valuation is far ahead of the assessed valuation. The federal census of 1850 stated the real value of property at $1,080,309,216, and in 1860 at $1,843,338,517, showing an increase in ten years of $763,029,301 or 70.63 per cent. Applying the same average rate of increase to the eight years since 1860, we find that in June, 1868, the real value in New York would be $2,885,698,512, or larger by 63.5 per cent than the assessed valuation. Such an increase, or even one-half that increase, in the assessed valuation, would very materially effect the apparent rate of taxation, as given in the table above. The rates of taxation levied on the valuation of property in the State for the year 1867–'68, with the rates estimated for the two years next following, are as given below:

	1867-68		1868-69		1869-70	
	Mills on dollar.	Amount of proceeds.	Mills on dollar.	Amount of proceeds.	Mills on dollar.	Amount of proceeds.
General fund	2.46	$4,094 665	1.25	$2,207,611	1.25	$2,207,611
Schools	1.25	2,080,135	1.25	2,207,611	1.25	2,207,611
Canal deficiency	0 62⅜	1,010,067	1.05⅜	1,86[illegible],715	0.12⅜	220,761
R. debt sinking fund	3.00	4,992.323	2.16⅜	3,8[illegible]6,527	2.25	3,973,401
Railroads	0.26⅜	440.028	0.08	135,853	...	....
Total	7 60	$12,647,218	5.80	$10,243,817	4.87⅜	8,6[illegible],684

These exhibits, and such as we presented in our former issue on this subject, indicate the healthy position of our State finances. It is true that our taxes are at present heavy, but it is gratifying to know that our means are large, and our burdens being constantly decreased.

HUDSON RIVER RAILROAD.

This great road runs parallel with the Hudson river from New York city to East Albany (144 miles), and is continued to Troy (six miles further north) over the Troy and Greenbush Railroad. The whole line is double tracked, and has also 26.64 miles of sideings and turnouts. The rails on the main line weigh—iron 70 lbs., and steel 58 lbs. to the yard. The grades and alignments of the line are much more favorable than those of the Harlem Railroad, and hence its traffic is more profitable. At the close of the fiscal year 1868 (September 30) rolling stock in use consisted of 82 locomotives and 7 dummy engines, 141 first class and 18 second class passenger cars, 36 baggage, mail and express cars, and 1,057 freight cars. The following shows the number of locomotives and cars of each description from 1863 to 1868, inclusive:

	1863.	1864.	1865.	1866.	1867.	1868.
Locomotive expenses	68	71	79	80	82	82
Passenger (first class) cars	107	122	124	123	124	141
Passenger (second class) cars	11	11	13	18	18	18
Baggage, mail, &c	27	31	28	28	32	36
Freight cars	675	671	711	799	905	1,057
Dummy engines	—	3	3	3	5	7

This exhibit does not include the city line cars which carry passengers to and from the upper depot. The business of the line was larger in 1867–68 than in any previous year, and the road and machinery were in the best condition. The results are given in the following table, in connection with the statistics of the four preceding years:

	1863–64.	1864–65.	1865–66.	1866–67.	1867–68.
Miles run by pass. tr'ns	628,835	698,226	685,649	794,984	805,628
" " freight "	663,863	588,315	639,353	707,156	982,445
" " gravel "	163,596	59,538	60,799	96,186	82,107
Total train miles	1,296,294	1,346,079	1,385,801	1,598,326	1,870,180
Passengers carried	2,017,843	2,068,245	2,159,267	2,266,718	2,626,303
Miles of travel	98,853,821	85,778,513	92,798,027	91,129,722	95,853,332
Tons of freight carried	60[illegible],824	491,855	497,307	581,437	716,263
Miles of transportation	72,720,351	53,738,444	57,545,439	73,[illegible]37,023	88,816,929
Miles run by city cars	....	256,200	334,728	252,184	151,512
City passengers carried	....	1,137,558	1,092,058	946,910	496,625
Passenger earnings	$1,921,964	$2,099,952	$2,138,945	$2,0[illegible]5,801	$2,000,475
Freight "	2,142,301	2,224,030	2,345,612	2,841,258	3,039,126
All other "	68,335	128,398	360,969	400,011	534,614
Total gross earnings	$4,132,600	$4,452,380	$4,845,526	$5,267,100	$5,574,215
Operating expenses, etc	2,584,132	3,138,819	3,090,533	3,213,567	3,793,319
Net earnings	$1,548,468	$1,313,561	$1,754,993	$2,053,533	$1,780,896

The earnings, expenses and profits per mile of road in the same years were as follows:

	1863–4.	1864–65.	1865–66.	1866–67.	1867–68.
	$	$	$	$	$
Earnings per mile of road	27,550 66	29,[illegible]82 53	32,303 51	35,114 00	37,161 43
Expenses " "	17,227 56	20,925 46	20,6[illegible]3 59	21,423 78	25,288 79
Profits " "	10,323 10	8,757 07	11,699 92	13,690 22	11,872 64
Expenses to earnings, p. c.	62.53	70.49	63.78	61.01	68.05

Notwithstanding large amounts have been paid from net earnings for improvements and new machinery, and also for interest, the business of the past five years has given at least 8 per cent on the outstanding capital stock. In 1863–64 a 6 per cent scrip dividend was also paid, and in 1865–66 the dividend was 9 per cent. In the meanwhile the capital stock on which dividends have been paid has more than triplicated, its amount having been October 1, 1863, $4,422,923, and September 30, 1868 $13,932,700. No general balance sheet is published. The following statement of capital stock, bonds and floating debt, and of the cost of railroad, equipment &c., is an abstract of the annual returns to the State Engineer and Surveyor, and refer to October 1, 1864–1868, inclusive:

	1864.	1865.	1866.	1867.	1868.
	$	$	$	$	$
Capital paid in	6,218,042	6,563,250	6,962,971	9,981,500	13,932,700
Funded debt	7,737,689	7,762,840	7,227,460	6,394,550	6,074,960
Floating debt	1,167	1,167	1,167	1,167	1,167
Total	13,956,889	14,327,257	14,191,598	16,377,217	20,008,827

Per contra—Charges on the following accounts:

	1864.	1865.	1866.	1867.	1868.
	$	$	$	$	$
Railroad	10,774,017	10,970,884	11,09[illegible],338	12,841,734	14,869,870
Equipment	1,616,414	1,969,3[illegible]4	2,125,6[illegible]0	2,340,404	2,516,607
Engineering, etc	708,902	708,902	708,902	708,914	710,014
Discount, etc	1,570,514	1,570,145	1,570,514	1,570,514	1,570,514
Horses, harness, etc	....	44,[illegible]51	43,471	43,471	19,484
Total	14,669,847	15,264,586	15,543,[illegible]25	17,505,037	19,185,989
Cost of road per mile	101,873 94	106,004 07	107,943 23	121,562 75	133,236 03

Under the head of "Discounts, etc.," are comprised the loss in negotiating bonds and loans, commissions paid, interest to stockholders, etc., prior to 1855.

The funded debt outstanding September 30, 1868, was made up of the following classes of bonds:

Classes of Bonds.	Interest Rate.	Interest Periods.	Date of Maturity.	Amount Outstand'g.
1st mortgage	7	Feb. & Aug.	Feb. 1, 1869.	$1,954,000
1st "	7	" "	Feb. 1, 1870.	1,936,000
1st "	6	" "	Aug. 1, 1869.	110,000
2d " sinking fund	7	June & Dec.	June 16, 1885.	2,000,000
3d "	7	May & Nov.	May 1, 1875.	183,000
Convertible	7	" "	May 1, 1867.	8,000

In the following table we give the monthly fluctuations of the shares of the Hudson River Company at New York through the last five years:

	1864.	1865.	1866.	1867.	1868.
January	129½@143	95 @115	93½@109	120 @134	132½@147
February	139 @162	101 @117½	99 @101½	128 @127½	140 @149
March	148½@161½	88 @115	102⅝@109⅝	136 @140	130 @145
April	120 @164	91½@114½	105½@111	90 @138	122½@140
May	132 @156	94 @114½	108 @114	96½@103½	136 @144
June	138 @147	97½@110½	110 @118½	102½@110	138 @148½
July	120 @137½	107 @111½	112⅝@120	109½@123	134 @139½
August	126 @135	101½@113½	118½@121½	119½@125½	133 @140
September	107 @127½	108½@111½	119 @12[illegible]	123 @135	138 @142
October	109 @125	103½@112½	120 @128½	125 @133	134½@139
November	118 @127½	106 @110½	118 @126½	123½@126½	120 @138
December	144 @118½	107 @109½	118 @137	124½@133½	124½@135½
Year	107 @164	88 @117½	93½@137	90 @140	120 @149

Under a resolution of a called meeting of the stockholders, held November 30, 1868, the capital stock was increased by $2,100,000, distributed at par, pro rata, and payable on or before January 20, 1869. This issue is made for the purpose of taking up certain bonds maturing in 1869-70.

CHICAGO AND ALTON RAILROAD.

The annual report of this company for the year ending December 31, 1868, has just been issued. As already indicated in the returns published each month, the road shows a decided increase in its earnings over those of 1867. The gross receipts, not including the Jacksonville Division, exceed those of the previous year about $7\frac{3}{4}$ per cent—the two years compare as follows, the Jacksonville Division being included for the last seven months of 1868.

	1867.	1868.	Inc.	Dec.
Passenger traffic	$1,208,760	$1,305,570	$96,810	$.
Freight traffic	2,430,008	2,953,629	523,621	....
U. S. mail, expresses, &c	254,093	249,443	......	4,650
Total gross earnings	$3,892,861	$4,508,642	$615,781	....
Total expenses	2,149,128	2,463,182	314,054	....
Earnings less expenses	$1,743,733	$2,045,460	$301,727	....

At the date of the last annual report, the St Louis, Jacksonville and Chicago Railroad was operated under a contract made with this company, dated January 25, 1864, by which that road was entitled to a pro rata proportion of earnings on joint business, and a bonus of 10 per cent upon that portion of such business as belonged to this company.

It was deemed important that the possession of this line of road thould be vested in the Chicago and Alton Company, beyond question, and permission having been asked to lease the same in perpetuity, and the same having been granted by the nearly unanimous vote of the stockholders, the St. Louis, Jacksonville and Chicago Railroad, on the first day of June last past, practically became the property of this company and is now operated as a division of the road, under the immediate control of its officers.

The earnings of that road have, since that date, been included in the gross earnings of this road, as published. The Treasurer in his report gives the following statement:

The gross joint earnings on business to and from stations on that road, for the seven months from June 1st to December 31st, were		$657,481 16
Of this sum there was earned upon the C. & A. R. R.		337,779 53
Leaving the proportion earned on the St. L., J. & C. R. R.		$319,701 63
Assume the expenses at 60 per cent	$191,820 97	
Seven months rental	140,000 00	331,820 97
Which shows a probable loss of		$12,119 31
But, under the contract which governed prior to 1st June last, we should have paid the St. L., J. & C. R. R. Co. a drawback of 10 per cent upon this company's proportion of the above joint earnings, equal to		$33,777 95
From this deduct the probable loss		12.119 34
And it shows that this company is better off under the lease than under the old contract		$21,658 61

The report states that including the earnings of the Jacksonville division for seven months, the aggregate amount exceeds the earnings of the previous year $615,781 49. The gross earnings of the main line amounted to $4,188,941 34, about 7¾ per cent in excess of 1867.

The operating expenses amounted to 54 6-10 per cent of the gross earnings, as against 55 2-10 per cent for the preceding year.

The number of passengers transported during the year amounted to 608,874, an increase over the number carried in 1867, of 77,657, or 14 3-5 per cent. Of this number, 574,253 were way, and 34,621 through; 299,562 were moved north, 309,312 were moved south. Increase number of way passengers, 16 1-10 per cent. Of the whole number carried, 94 3-10 per cent were local, and 5 7-10 per cent were through. Average fare paid by each way passenger. $1 67 8-10.

Not a single passenger was killed or injured during the year, on account of any defect in the track or equipment, or through the negligence of the employees.

The increased tonnage of the road exceeds that of 1867 about 22 per cent. 91 4-10 of the tonnage was way; 8 6-10 of the tonnage was through.

There have been constructed eight miles of additional track, between Wilmington and Braceville, and eight miles between Dwight and Odell, making sixteen miles of double track now in operation. During 1869 the distance between Braceville and Dwight will also be constructed in same manner, thus giving the road the use of about thirty miles of continuous double track.

The coal traffic continues to increase in magnitude and importance, and every encouragement is being extended to aid in the development of a business which will contribute largely to the income in the future. In order to show the increase in this branch of an almost entirely new business on the road, it will be of interest to note, that during the year 1865, 6,000 tons were transported; 1866, 71,090 tons; 1867, 146,050 tons; 1868, 166,986 tons.

According to the statistics of the Board of Trade, 51 per cent of the whole amount of bituminous coal received by rail at Chicago, during the year 1868, came over this road. During three months of the year the mines that usually contributed largely to the business, were not operated, on account of the miners being "on a strike." This fact will explain the small per centage of increase in the tonnage over 1867; but new mines are being opened contiguous to your line, and the old ones are again being worked, and a large increase in the business is confidently expected during the present year.

The earnings, expenses, and profits from operations for the last seven years have been as follows:

Fiscal year.	Miles of road.	Result of operations — Earnings.	Expenses.	Profits.
1861	220	$1,098,464	$646,372	$452,092
1862	220	1,225,001	767,207	4[illegible]7,794
1863	22[illegible]	1,673,[illegible]06	971,840	701,806
1864	257	2,770,484	1,532,105	1,238,379
1865	280	3,8[illegible]0,092	2,006,574	1,833,518
1866	280	3,695,153	2,210,536	1,484,617
1867	280	3,892,861	2,[illegible]49,128	1,743,[illegible]33
1868	43[illegible]	4,508,642	2,463,182	2,045,460

The net earnings have been disposed of in the last three years as shown in the following statement:

		1866.		1867.		1868.
Net earnings		$1,484,617		$1,743,783		$2,045,460
Joliet & Chic. R. lease	$153,312		$152,927		$144,049	
Alton & St. L. R. lease	11,760		10,711		..	
St. L, Jack. & Chic. R ls	......		......		140.000	
Improvements	221,707		355 407		635,766	
Interest on bonds	280,700		277,095		273,2[illegible]5	
Sinking funds and tax	57,138		56,943		62,100	
Dividends and tax	553,442	—1,278,059	664,173	—1,517,256	729,984	—1,985,145
Balance to credit		$206,558		$226,477		$60,315

The general balance sheets December 31, 1865–68, exhibits the financial condition of the company thus:

	1865	1866.	1867.	1868.
Capital stock, preferred	$2,425,575	$2,425,575	$2,42[illegible],410	$2,425,400
" " common	1,783,343	3,886,643	3,886,572	[illegible],141,872
Bonds—sinking fund	519,000	483,000	444,000	402,000
" 1st mortgage	2,400,000	2,400,000	2,400,000	2,400,000
" income	1,100,000	1,100,000	1,100,000	1,100,000
Sinking fund bonds cancelled	81,000	117,000	156,000	198,000
" " cash	1[illegible]4	.....	.....	.....
Bonds and stocks unissued	37,813	37,813	37,813	37,813
Current accounts	369,960	342,917	209,160	350,181
Income, surplus Dec. 31	1,291,398	1,497,955	924,352	984,667
Total	$10,006,224	$12,290,904	$11,583,307	$13,039,933

Against which the following charges are made:

	1865.	1866.	1867.	1868.
Cost of road & equipm's (220 miles)	$8,308,919	$10,118,522	$10,276,604	$11,433,523
Bonds and stocks unissued	37,813	37,813	37,813	37,813
Alton & St. Louis RR. shares	637,700	675,000	......	......
Railroad bonds (foreign)	......	24,800	17,800	173,011
U. S. securities, $135,000	......	135,614	10,000	10,000
Renewal account, bonds in trust	50 000	50,000	50,000	50,000
Supplies on hand	451,934	436,139	338,787	465,592
Timber land	41,268	......	..	......
Stock depot & grounds purchased	78,639	50,000	55,000	55,000
Interest in palace sleeping cars	......	......	20,000	41,200
Expended to replace losses at Bloomington	......	......	78,152	......
For depot grounds at Bloomington	......	......	13,800	49,353
Current accounts	208,954	165,478	180,967	136,099
Cash on hand, general fund	193,097	597,538	524,128	468,638
Total	$10,008,224	$12,290,904	$11,583,307	$13,039,933

Since the re-organization of the Company in October, 1862, the following cash dividends have been declared and paid:

Date of payment.		Pref.	Com.	Date of payment.		Pref.	Com.
September,	1863	3½	3½	September,	1866	5	5
March,	1864	3½	—	March,	1867	5	5
September,	1864	3½	6	September,	1867	5	5
March,	1865	5	5	March,	1868	5	5
September,	1865	3½	3½	September,	1868	5	5
March,	1866	5	5	March,	1869	5	5
Total in five years and a half						54	53

The monthly range of prices for the stocks of this Company in the New York market, for the last three years, is shown in the table which follows:

	Common Stock.			Preferred Stock.		
	1866.	1867.	1868.	1866.	1867	1868
January	108 @105⅝	105 @110½	130 @136	105 @107	109 @112	131 @140
February	102 @119	106 @111	128 @136	103 @120	112 @116	138 @138
March	83 @112	105½ @108½	129½ @131	94½ @118	106 @109	132 @133½
April	84 @ 90½	105 @107	12[illegible] @128½	93 @ 96	108 @109	125 @129
May	91 @ 99	107 @108	127½ @128	100 @101	111½ @111½	12[illegible] @129½
June	95 @ 99	109 @114½	129 @138	102 @102	111½ @116½	130 @136
July	98½ @105½	114 @115	137 @138	104½ @106	117 @122	128½ @129½
August	102½ @1[illegible]9	111 @117	136 @144	105 @109½	114 @120	138½ @145
Septem.	105 @113½	117 @125	141 @158½	106½ @113½	118 @128	....
October	110½ @113½	123 @125	150 @155½	113 @113½	125 @128	....
Novem.	106 @113	120 @122	134 @151	109½ @113½	125 @128½	....
Decem.	108 @110½	121½ @130½	140 @147	110½ @111	125 @130	....
Year	83 @ 19	105 @130½	127½ @158½	93 @120	106 @130	125 @145

GOLD CONTRACTS.

Frederick Bronson, Executor of the last will and testament of Arthur Bronson, deceased, Plaintiff in error, *vs.* Peter Rodes. In error to the Court of Appeals of the State of New York.—Mr. Chief Justice CHASE delivered the opinion of the Court:

This case comes before us upon a writ of error to the Supreme Court of New York.

The facts shown by the record may be briefly stated.

In December, 1851, one Christian Metz having borrowed of Frederick Bronson, executor of Arthur Bronson fourteen hundred dollars, executed his bond for the repayment to Bronson of the principal sum borrowed on the 18th day of January, 1857, in gold and silver coin, lawful money of the United States, with interest, also in coin, until such repayment, at the yearly rate of seven per cent.

To secure these payments, according to the bond, at such place as Bronson might appoint, or in default of such appointment at the Merchants' Bank of New York, Metz executed a mortgage upon certain real property, which was afterwards conveyed to Rodes, who assumed to pay the mortgage debt, and did in fact pay the interest until and including the first day of January, 1864.

Subsequently, in January, 1865, there having been no demand of payment nor any appointment of a place of payment by Bronson, Rodes tendered to him United States notes to the amount of $1,507, a sum nominally equal to the principal and interest due upon the bond and mortgage.

At that time one dollar in coin was equivalent in market value to two dollars and a quarter in United States notes.

This tender was refused, whereupon Rodes deposited the United States notes in the Merchants' Bank to the credit of Bronson, and filed his bill in equity praying that the morgaged premises might be relieved from the lieu of the mortgage, and that Bronson might be compelled to execute and deliver to him an acknowledgment of the full satisfaction and discharge of the morgage debt.

The bill was dismissed by the Supreme Court sitting in Erie County; but, on appeal to the Supreme Court in general term, the decree of dismissal was reversed, and a degree was entered adjudging that the mortgage had been satisfied by the tender, and directing Bronson to satisfy the same record; and this decree was affirmed by the Court of Appeals.

The question which we have to consider, therefore, is this:

Was Bronson bound by law to accept from Rodes United States notes equal in nominal amount to the sum due him as full performance and satisfaction of a contract which stipulated for the payment of that sum in gold and silver coin, lawful money of the United States?

It is not pretended that any real payment and satisfaction of an obligation to pay fifteen hundred and seven coined dollars can be made by the tender of paper money worth in the market only six hundred and seventy coined dollars. The question is, Does the law compel the acceptance of such a tender for such a debt?

It is the appropriate function of Courts of justice to enforce contracts according to the lawful intent and understanding of the parties.

We must, therefore, inquire what was the intent and understanding of Frederick Bronson and Christian Metz when they entered into the contract under consideration in December, 1851.

And this inquiry will be assisted by reference to the circumstances under which the contract was made.

Bronson was an executor, charged as a trustee with the administration of an estate. Metz was a borrower from the estate. It was the clear duty of the former to take security for the full repayment of the money loaned to the latter.

The currency of the country, at that time, consisted mainly of the circulating notes of State banks, convertible, under the laws of the States, into coin on demand. This convertibility, though far from perfect, together with the acts of Congress which required the use of coin for all receipts and disbursements of the National Government, ensured the presence of some coin in the general circulation; but the business of the people was transacted almost entirely through the medium of bank notes. The State banks had recently emerged from a condition of great depreciation and discredit, the effects of which were still widely felt, and the recurrence of a like condition was not unreasonably apprehended by many. This apprehension was, in fact, realized by the general suspension of coin payments, which took place in 1857, shortly after the bond of Metz became due.

It is not to be doubted, then, that it was to guard against the possibility of loss to the estate, through an attempt to force the acceptance of a fluctuating and perhaps irredeemable currency in payment, that the express stipulation for payment in gold and silver coin was put into the bond. There was no necessity in law for such a stipulation, for at that time no money, except of gold or silver, had been made a legal tender The bond without any stipulation to that effect would have been legally payable only in coin. The terms of the contract must have been selected, therefore, to fix definitely the contract between the parties, and to guard against any possible claim that payment, in the ordinary currency, ought to be accepted.

The intent of the parties is, therefore, clear. Whatever might be the forms or the fluctuations of the note currency, this contract was not to be affected by them. It was to be paid, at all events, in coined lawful money.

We have just adverted to the fact that the legal obligation of payment in coin was perfect without express stipulation. It will be useful to consider somewhat further the precise import in law of the phrase "dollars payable in gold and silver coin, lawful money of the United States.

To form a correct judgment on this point, it will be necessary to look into the statutes regulating coinage. It would be instructive, doubtless, to review the history of coinage in the United States, and the succession of statutes by which the weight, purity, forms, and impressions of the gold and silver coins have been regulated; but it will be sufficient for our purpose if we examine three only, the acts of April 2, 1792, (1 U. S. St., 246,) of January 18, 1837, (5 U. S. St., 136,) and March 3, 1849, (U. S. St., 397.)

The act of 1792 established a mint for the purpose of a National

coinage. It was the result of very careful and thorough investigations of the whole subject, in which Jefferson and Hamilton took the greatest parts; and its general principles have controlled all subsequent legislation. It provided that the gold of coinage, or standard gold, should consist of eleven parts fine and one part alloy, which alloy was to be of silver and copper in convenient proportions, not exceeding one-half silver; and that the silver of coinage should consist of fourteen hundred and eighty-five parts fine, and one hundred and seventy-nine parts of an alloy wholly of copper.

The same act established the dollar as the money unit, and required that it should contain four hundred and sixteen grains of standard silver. It provided further for the coinage of half dollars, quarter dollars, dimes and half dimes, also of standard silver, and weighing respectively a half, a quarter, a tenth, and a twentieth of the weight of a dollar. Provision was also made for a gold coinage, consisting of eagles, half eagles, and quarter eagles, containing, respectively, two hundred and ninety, one hundred and thirty five, and sixty-seven and a half grains of standard gold, and being of the value, respectively, of ten dollars, five dollars, and two and a half dollars.

These coins were made a lawful tender in all payments according to their respective weights of silver or gold; if of full weight, at their declared values, and if of less, at proportional values. And its regulation as to tender remained in full force until 1837.

The rule prescribing the composition to alloy has never been changed; but the proportion of alloy to fine gold and silver, and the absolute weight of coins, have undergone some alteration, partly with a view to the better adjustment of the gold and silver circulations to each other, and partly for the convenience of commerce.

The only change of sufficient importance to require notice was that made by the act of 1837. (5 U. S. St., 137.) That act directed that standard gold, and standard silver also, should thenceforth consist of nine parts pure and one part alloy; that the weight of standard gold in the eagle should be two hundred and fifty eight grains, and in the half eagle and quarter eagle, respectively, one-half and one-quarter of that weight precisely; and that the weight of standard silver should be in the dollar four hundred twelve and a half grains, and in the half dollar, quarter dollar, dimes, and half dimes, exactly one-half, one-quarter, one-tenth, and one-twentieth of that weight.

The act of 1849 (9 U. S. St., 397) authorized the coinage of gold double-eagles and gold dollars conformably in all respects to the established standards, and, therefore, of the weights respectively of five hundred and sixteen grains and twenty-five and eight-tenths of a grain.

The methods and machinery of coinage had been so improved before the act of 1837 was passed, that unavoidable deviations from the prescribed weight became almost inapppreciable; and the most stringent regulations were enforced to secure the utmost attainable exactness, both in weight and purity of metal.

In single coins the greatest deviation tolerated in the gold coins was half a grain in the double-eagle, eagle, or half eagle, and a quarter of a grain in the quarter eagle or gold dollar; (19 U. S. St., 398) and in the silver coins, a grain and a half in the dollar and half dollar, and a grain

in the quarter dollar, and half a grain in the dime and half dime. (15 U. S. St., 137.)

In 1849 the limit of deviation in weighing large numbers of coins on delivery by the chief coiner to the Treasurer and by the Treasurer to depositors was still further narrowed.

With these and other precautions against the emission of any piece inferior in weight or purity to the prescribed standard, it was thought safe to make the gold and silver coins of the United States legal tender in all payments according to their nominal or declared values. This was done by the act of 1837. Some regulations as to the tender, for small loans, of coins of less weight and purity have been made; but no other provisions than that made in 1837, making coined money a legal tender in all payments, now exists upon the statute books.

The design of all this minuteness and strictness in the regulation of coinage is easily seen. It indicates the intention of the Legislature to give a sure guarantee to the people that the coins made current in payments contain the precise weight of gold or silver of the precise degree of purity declared by the statute. It recognizes the fact, accepted by all men throughout the world, that value is inherent in the precious metals; that gold and silver are in themselves values, and being such, and being in other respects best adapted to the purpose, are the only proper measures of value; that these values are determined by weight and purity; and that form and impress are simply certificates of value, worthy of absolute reliance only because of the known integrity and good faith of the Government which gives them.

The propositions just stated are believed to be incontestable. If they are so in fact, the inquiry concerning the legal import of the phrase "dollars payable in gold and silver coin, lawful money of the United States," may be answered without much difficulty. Every such dollar is a piece of gold or silver, certified to be of a certain weight and purity, by the form and impress given to it at the mint of the United States, and therefore declared to be legal tender in payments. Any number of such dollars is the number of grains of standard gold or silver in one dollar multiplied by the given number.

Payment of money is delivery by the debtor to the creditor of the amount due. A contract to pay a certain number of dollars in gold or silver coins is therefore, in legal import, nothing else than an agreement to deliver a certain weight of standard gold, to be ascertained by a count of coins, each of which is certified to contain a definite proportion of that weight. It is not distinguishable, as we think, in principle, from a contract to deliver an equal weight of bullion of equal fineness. It is distinguishable, in circumstance only, by the fact that the sufficiency of the amount to be tendered in payment must be ascertained, in the case of bullion, by assay and the scales, while in the case of coin it may be ascertained by count.

We cannot suppose that it was intended by the provision of the currency acts to enforce satisfaction of either contract by the tender of depreciated currency of any description equivalent only in nominal amount to the real value of the bullion or of the coined dollars. Our conclusion, therefore, upon this part of the case is, that the bond under consideration was in legal import precisely what it was in the understanding of the

parties—a valid obligation to be satisfied by a tender of actual payment according to its terms, and not by an offer of mere nominal payment. Its intent was that the debtor should deliver to the creditor a certain weight of gold and silver of a certain fineness, ascertainable by count of coins made legal tender by statute; and this intent was lawful.

Arguments and illustrations of much force and value in support of this conclusion might be drawn from the possible case of the repeal of the legal tender laws relating to coin and the consequent reduction of coined money to the legal condition of bullion, and also from the actual condition of partial demonetization to which gold and silver money was reduced by the introduction into circulation of the United States notes and national bank currency; but we think it unnecessary to pursue this branch of the discussion further.

Nor do we think it necessary now to examine the question whether the clauses of the currency acts making the United States a legal tender are warranted by the Constitution.

But we will proceed to enquire whether upon the assumption that those clauses are so warranted, and upon the further assumption that engagements to pay coined dollars may be regarded as ordinary contracts to pay money rather than as contracts to deliver certain weights of standard gold, it can be maintained that a contract to pay coined money may be satisfied by a tender of United States notes.

Is this a performance of the contract within the true intent of the acts?

It must be observed that the laws for the coinage of gold and silver have never been repealed or modified. They remain on the statute book in full force. And the emission of gold and silver coins from the mint continues; the actual coinage during the last fiscal year having exceeded, according to the report of the director of the mint, nineteen millions of dollars.

Nor have those provisions of law which make these coins a legal tender in all payments been repealed or modified.

It follows that there were two descriptions of money in use at the time the tender under consideration was made, both authorised by law, and both made legal tender in payments. The statute denominations of both descriptions was dollars; but they were essentially unlike in nature. The coined dollar was, as we have said, a piece of gold or silver of a prescribed degree of purity, weighing a prescribed number of grains. The note dollar was a promise to pay a coined dollar; but it was not a promise to pay on demand or at any fixed time, nor was it in fact, convertible into a coined dollar. It was impossible, in the nature of things, that these two dollars should be the actual equivalents of each other, nor was there anything in the currency acts purporting to make them such. How far they were, at that time, from being actual equivalents has been already stated.

If, then, no express provision to the contrary be found, in the acts of Congress, it is a just if not a necessary inference, from the fact that both descriptions of money were issued by the same government, that contracts to pay in either were equally sanctioned by law. It is, indeed, difficult to see how any question can be made on this point. Doubt concerning it can only spring from that confusion of ideas which always attends the introduction of varying and uncertain measures of value into circulation as money.

The several statutes relating to money and legal tender must be construed together. Let it be supposed, then, that the statutes providing for the coinage of gold and silver dollars are found among the statutes of the same Congress which enacted the laws for the fabrication and issue of note dollars, and that the coinage and note acts, respectively, make coined dollars and note dollars legal tender in all payments, as they actually do. Coined dollars are now worth more than note dollars; but it is not impossible that note dollars, actually convertible into coin at the chief commercial centres; receivable everywhere, for all public dues; and made, moreover, a legal tender, everywhere, for all debts may become, at some points, worth more than coined dollars. What reason can be assigned now for saying that a contract to pay coined dollars must be satisfied by the tender of an equal number of note dollars which will not be equally valid then, for saying that a contract to pay note dollars must be satisfied by the tender of an equal number of coined dollars?

It is not easy to see how difficulties of this sort can be avoided, except by the admission that the tender must be according to the terms of the contract.

But we are not left to gather the intent of these currency acts from mere comparison with the coinage acts. The currency acts themselves provide for payments in coin. Duties on imports must be paid in coin, and interest on the public debt, in the absence of other express provisions, must also be paid in coin. And it hardly requires argument to prove that these positive requirements cannot be fulfilled if contracts between individuals to pay coin dollars can be satisfied by offers to pay their nominal equivalent in note dollars. The merchant who is to pay duties in coin must contract for the coin which he requires; the bank which receives the coin on deposit contracts to repay coin on demand; the messenger who is sent to the bank or the custom-house contracts to pay or deliver the coin according to his instructions. These are all contracts, either expressed or implied, to pay coin. Is it not plain that duties cannot be paid in coin if these contracts cannot be enforced?

An instructive illustration may be derived from another provision of the same acts. It is expressly provided that all dues to the government, except for duties on imports, may be paid in United States notes. If, then, the government, needing more coin than can be collected from duties, contracts with some bank or individual for the needed amount, to be paid at a certain day, can this contract for coin be performed by the tender of an equal amount in note dollars? Assuredly it may if the note dollars are a legal tender to the government for all dues except duties on imports. And yet a construction which will support such a tender will defeat a very important intent of the act.

Another illustration, not less instructive, may be found in the contracts of the government with depositors of bullion at the mint to pay them the ascertained value of their deposits in coin. These are demands against the government other than for interest on the public debt; and the letter of the acts certainly makes United States notes payable for all demands against the government except such interest. But can any such construction of the act be maintained? Can judicial sanction be given to the proposition that the government may discharge its obligation to the depositors of bullion by tendering them a number of note dollars equal

to the number of gold or silver dollars which it has contracted by law to pay?

But we need not pursue the subject further. It seems to us clear beyond controversy that the act must receive the reasonable construction, not only warranted, but required by the comparison of its provisions with the provisions of other acts, and with each other; and that upon such reasonable construction it must be held to sustain the proposition that express contracts to pay coined dollars, can only be satisfied by the payment of coined dollars. They are not "debts" which may be satisfied by the tender of United States notes.

It follows that the tender under consideration was not sufficient in law, and that the decree directing satisfaction of the mortgage was erroneous.

Some difficulty has been felt in regard to the judgments proper to be entered upon contracts for the payment of coin. The difficulty arises from the supposition that damages can be assessed only in one description of money. But the act of 1792 provides "the money of account of the United States shall be expressed in dollars, dimes, cents and mills, and that all accounts in the public offices, and all proceedings in the courts of the United States shall be kept and had in conformity to these regulations."

This regulation is part of the first coinage act, and doubtless has reference to the coins provided for by it. But it is a general regulation and relates to all accounts and all judicial proceedings. When, therefore, two descriptions of money are sanctioned by law, both expressed in dollars and both made current in payments, it is necessary in order to avoid ambiguity and prevent a failure of justice, to regard this regulation as applicable alike to both. When, therefore, contracts made payable in coin are sued upon, judgments may be entered for coined dollars and parts of dollars; and when contracts have been made payable in dollars generally, without specifying in what description of currency payment is to be made, judgments may be entered generally, without such specification.

We have already adopted this rule as to judgments for duties by affirming a judgment of the Circuit Court for the District of California (Cheang Kee *vs* U. S., 3 Wall, 320), in favor of the United States, for thirteen hundred and eighty-eight dollars and ten cents, payable in gold and silver coin, and judgments for express contracts between individuals for the payment of coin may be entered in like manner.

It results that the decree of the Court of Appeals of New York must be reversed, and the cause remanded to that Court for further proceedings.

Mr. Justice Davis concurring in the result, said:

I assent to the result which a majority of the Court have arrived at, that an express contract to pay coin of the United States, made before the Act of February 25, 1862, commonly called the Legal-Tender Act, is not within the clause of that Act which makes treasury notes a legal tender in payments of debts; but I think it proper to guard against all possibility of misapprehension by stating that if there be any reasoning in the opinion of the majority which can be applicable to any other class of contracts, it does not receive my assent.

Mr. Justice Swayne said:

I concur in the conclusion announced by the Chief Justice.

My opinion proceeds entirely upon the language of the contract and the construction of the statutes.

The question of the constitutional power of Congress, in my judgment, does not arise in the case.

An opinion was also delivered in the Supreme Court of the United States, March 1, sustaining the gold contract case from Maryland, on the same principle as that involved in the case of Bronson against Rodes. Chief Justice Chase delivered the opinion of the Court. The case was Thomas C. Butler *vs.* Benjamin J. Horwitz—in error to the Court of Common Pleas for the State of Maryland, and the following is a careful report of the opinion:

Chief Justice Chase said: The principles which determine the case of Bronson *vs.* Rodes will govern our judgment in this case. The record shows a suit for breach of the covenant for payment of rent in a lease of certain premises to the City of Baltimore, made in 1791 for 99 years, renewable forever, upon an annual rent of fifteen pounds current money of Maryland, payable in English golden guineas, weighing five pennyweights and six grains, at thirty-five shillings each, and this gold and silver at their present weight and rate established by Act of Assembly. The obvious intent of the contract was to secure payment of a certain rent in gold and silver, and thereby to avoid the fluctuations to which the currency of the country, in the days which preceded and followed the establishment of our independence, had been subject; and, also, all future fluctuations incident to arbitrary or uncertain measures of value, whether introduced by law or usage. It was argued in the Court below that the rent due upon the lease reduced to current gold and silver coin was, on the 1st of January, 1866, $40, and judgment was rendered on the 27th of June, 1866, for $59 17. This judgment was rendered as the legal result of two propositions,—first, that the covenant in the lease required the delivery of a certain amount of gold and silver in payment of rent; and, second, that damages for non-performance must be assessed in the legal-tender currency. The first of these propositions is, in our judgment, correct; the second is, we think, erroneous. It is not necessary to go at length into the grounds of this conclusion. We will only state briefly the general propositions on which it rests, most of which has been stated more fully in Bronson *vs.* Rodes. A contract to pay a certain sum in gold and silver coin is in substance and legal effect a contract to deliver a certain weight of gold and silver of a certain fineness to be ascertained by count. Damages for non-performance of a contract may be recovered at law as for non-performance of a contract to deliver bullion or other commodity, but whether the contract be for delivery or payment of coin or bullion or other property, damages for non-performance must be assessed in lawful money, that is to say, in money declared to be legal-tender in payment by a law made in pursuance of the Constitution of the United States. It was not necessary in the case of Bronson *vs.* Rodes, nor is it necessary now to decide the question whether the acts making

United States notes legal-tender are warranted by the Constitution. We express no opinion on that point, but assume, for the present, the constitutionality of those acts. Proceeding upon this assumption, we find two descriptions of lawful money in use under the acts of Congress, in either of which damages for non-performance of contracts, whether made before or since the passage of the Currency acts, may be properly assessed in the absence of any different understanding or agreement between parties. But the obvious intent in contracts for payment in coin to guard against fluctuations in the medium of payment warrants the inference that it was the understanding of the parties that such contracts should be satisfied, whether before or after the judgment, only by tender of coin; while the absence of any express stipulation as to description in contracts for payment of money, generally warrants the opposite inference of an understanding between parties that such contracts may be satisfied before or after judgment by the tender of any lawful money. This inference as to contracts made prior to the passage of the acts making United States notes legal-tender is strengthened by the consideration that those acts not only do not prohibit, but by strong implication sanction contracts since their passage for the payment or delivery of coin; and consequently, taken in connection with the provision of the act of 1792, concerning money of account, require the damages upon such contracts to be assessed in coin and judgment rendered accordingly; leaving the assessment of damages for breach of other contracts to be made and judgment rendered in lawful money. It would be unreasonable to suppose that the Legislature intended a different rule, as to contracts prior to the enactment of the Currency laws, from that sanctioned by them in respect to contracts since. We are of opinion, therefore, that assessments of damages, whether in coin or lawful money, severally, that judgments upon such assesments should be in conformity to the stipulation of contracts in regard to the medium of payment. It follows then, that in the case before us, the judgment was erroneously entered. The damages should be assessed at the sum agreed to be due, with the interest in gold and silver coin, and judgment for the amount with costs. The judgment of the Conrt of Common Pleas must, therefore, be reversed, and the cause remanded for further proceedings.

Mr. Justice Miller dissented, for reasons given by him, in Bronson *vs.* Rodes.

SENATOR SPRAGUE'S NEW FINANCIAL SCHEME.

The past month Mr. Sprague made several of his characteristic speeches in the Senate, on the bill introduced by him a few days ago, authorizing the loaning of the public money to industrious needy persons on competent security and at a low rate of interest. His scheme, partly from its novelty and partly from other obvious causes, has not found much favor either in or out of Congress. As the bill has not been printed in full in any of our leading newspapers, we propose to give

some account of its chief provisions, which are these: First it appoints a new and very powerful board of officials, as a United States Council of Finance. The functions of this board are "to loan daily, on proper security, money of the United States in excess of a balance of seventy-five millions of coin." Another function of this board would be to exercise some surveillance over the internal exchanges of the country, with which view they would be empowered to determine at what points all drafts upon the Treasury of the United States shall be paid. A second point provided for in the bill is the supplying of this board with funds to be loaned out to borrowers. These funds are to consist chiefly of the reserves of the National banks, which are no longer to be held by the banks themselves, but are to be deposited in the New York Sub-Treasury. The deposits of country banks which keep their reserves in New York are also to be placed in the Sub-Treasury; and to be subject to the control of the new Council of Finance. Thirdly: The present system of gold note issues is to be extended and enlarged. The gold notes are to be made a legal tender, and the Secretary of the Treasury is to issue these legal-tender gold notes dollar for dollar to the full amount of all the coin in the Treasury, both that which belongs to the Government and that which is the property of private individuals.

The most cursory perusal of this bill will suffice to show that it contains some extremely impracticable provisions. In the first place, the proposed Council of Finance would have a very delicate task in deciding upon the merits and claims of the thousands of applications for pecuniary aid which would pour in upon them from every State and city in the Union. Again, it would be difficult to avoid the suspicion of partiality and corruption. Moreover, the losses which might be incurred would probably be enormous, and in such circumstances the Committee could not be expected to be wholly exonerated from blame. Add to this the certainty that a great number of applicants for government aid must of necessity be disappointed, and it will be evident that the practical difficulties in the way of carrying out the details of Mr. Sprague's scheme are insuperable. We might urge the dangers of using the bank reserves in any such way as this bill proposes, but we refrain.

Were we to grant, however, that these difficulties could be overcome, and that the plan could be made to work smoothly, still there is a more formidable objection to the principle on which it rests its foundation. The whole scheme is based on the assumption that it is right to take the public money and lend it to needy individuals on interest. Now, all history and all experience shows that no government has ever entered into the banking business without doing mischief both to the

public interests and to the private firms with whom it is brought into rivalry. Besides the policy is manifestly unjust that would take public money, which is the property of the whole nation, and would lend that money for the exclusive benefit of private individuals. For it must be evident that the government would be committing a gross outrage on the principles of equal and impartial justice to raise by taxation larger sums of money than are really needful, in order that the surplus may be employed in doubtful projects, or wasted in vain attempts to benefit the community by doing violence to the natural laws of trade. On the whole then we conclude that the neglect with which Mr. Sprague's scheme has been received by Congress and the country is not undeserved. And this for two reasons, first, because it is impracticable and would work more of evil than of good. Secondly, because it is founded on unsound principles, which in France and in England have often been urged by financial enthusiasts, but have for a long time been rejected by competent statesmen and political economists.

[From The Commercial and Financial Chronicle of April 10.]

COTTON CROP STATEMENT AND OVERLAND SHIPMENTS.

It has become more and more evident within the past few years that the published statements of the cotton crop were defective in two important particulars: first they have failed to show the total crop of the country, but have been simply statements of the receipts at the ports; and secondly, they have given a very imperfect indication of our home consumption. In saying this we do not wish to be considered as reflecting upon that journal which for so many years furnished the trade with its only useful statistics with regard to the movement of cotton. It has received great credit for its annual record, and deserves all it has received. But when the Chronicle first undertook to prepare a yearly cotton statement, we, in common with many in the trade and all observing manufacturers, saw these defects, and endeavored to correct them; the information we could obtain, however, was imperfect, and the results consequently not all that we could wish, although an acknowledged improvement upon the past.

The difficulties encountered were the fruits of our own railroad system which furnishes now so many avenues of communication between the South and the North that the mills both at the North and South receive much of their cotton direct from the plantations and from inland ports. To supply the necessary facts with regard to these movements, we endeavored to obtain returns from the railroads over which the cotton passes; but while a large number are always ready to furnish the complete figures so far as their lines are concerned, some roads refused to make any

returns at all, and others gave them with too little detail to be of much use. The only other source of information remaining was the mills themselves; if correct facts could be obtained from them as to the year's consumption and stock at the beginning and close of the year a full crop statement could be furnished. Early last year, therefore, we made arrangements to get these facts from the mills, but before we had completed our plans we learned that the National Manufacturers Association were procuring the same details. Unexpected delays were met with, so that the figures were only in part received by the Association in time for our last crop statement, and we were compelled to depend principally upon the railroad returns already referred to. Since then, however, the Association has finished its work, and we think with the help of their figures a more correct idea of the yield of the country last year can now be obtained than for any previous season, and some errors which have been made in other crop statements can be readily discovered. We would remark here in passing that our annual cotton review to be issued next September will be very complete, as we have made arrangements to receive through the Manufacturers Association full returns of the consumption for the year ending August 1, and the stock at that date; these facts, together with the railroad figures which we are sure to receive, will enable us to furnish a very full and accurate crop statement.

But as to past statements it is not generally understood that what is called "the cotton crop of the United States" has in former times never meant the production of the country. If we take for instance the annual statements for many years back, it will be found that the total crop never equals the total consumption and export. The following figures are from the cotton review of the *New York Shipping List* for the years named:

	Average per year of 5 years, 1856-1861. Bales.	Year 1865-6. Bales.	Year 1866-7. Bales.	Year 1867-8. Bales.
Total crop	3,647,364	2,154,476	1,951,988	2,430,893
Consumption in the United States — North	663,000	541,085	573,367	799,817
Consumption in the United States — South	168,786	187,640	280,672	168,348
Total home consumption	831,786	731,725	854,039	968,165
Exports from the United States	2,953,251	1,554,664	1,553,345	1,651,626
Total export and consumption	3,785,037	2,286,389	2,467,384	2,619,791

We have not included in the above the consumption put down for Virginia, which is made a separate item, nor the cotton burnt; if added they would further increase the discrepancy noticed. Of course a part of this discrepancy is due some years to diminished stocks at the close of the season; but the balance arises from two facts which we have already noticed:—first, inaccurate returns of the railroad shipments direct to manufacturers, and second, greatly exaggerated ideas of Southern

consumption. The manufacturers' association is able to set us right on some of these points, and especially with regard to the consumption in the South. They give it at about 85,000 bales. That their figures are correct there can be no room for doubt, as they have obtained returns from almost every mill in the South. Besides, they receive very strong confirmation, while the above statement is shown to be clearly incorrect, in the census of 1860, which gave the total used by the Southern mills at that time at about 85,000 bales, instead of about 170,000 bales as above. With the light of this fact let us now see what the total crop statement should be and how the Southern consumption would vary from the generally received estimates:

	Average from 1856-61.	1865-6.	1866-7.	1867-8.
Southern consumption as above...bales	168,786	187,640	280,672	168,348
Actual Southern consumption	85,000*	80,000	82,000	†85,000
Amount of error	83,786	107,640	198,672	83,348

The total actual consumption and export and production would then be as follows:

Actual Southern consumption	85,000*	80,000	82,000	†85,000
Actual Northern consumption	704,000*	700,000	850,000	†900,000
Total consumption	78,900	780,000	832,000	985,000
Total export from United States	2,953,251	1,554,664	1,553,345	1.651,626
Total export and consumption	3,742,251	2,334,664	2,3·5,345	2,636,626
Deduct decrease in stock during year	......	......	212,549	45,025
Add increase of stocks	......	188,030	.... .	......
Total cotton crop ... bales.	3,742,251	2,522,694	2,171,796	2,591,601

These figures convey a very accurate idea of the production of the country during the past three years,‡ and we believe they are the first that have been published since the war, which do indicate our total crop. Before the war the movement overland was much less considerable; now it is large and increases year by year. Bringing forward then our own crop statements, and making the additions here indicated for shipments direct to the mills, the following would be the production and the course of the receipts for three years:

	Year ending Sept. 1. 1866.	1867.	1868.
Receipts at the shipping ports	2,241,222	1,965,774	2,240,282
Shipments direct to manufacturer	201.472‖	125 022	266,319
Manufactured in the South	80,000	82,000	85,000
Total production	2,522,694	2,172,796	2,591,601

The present year the overland direct shipments will show some increase on last season. As our readers are aware, we have already made

* Per census returns.

† Manufacturers' Association returns.

‡ Of course the figures for 1865-6 are not, strictly speaking, the product of that year, but in part of the years during the war.

‖ The record of shipments to the ports during 1865-6 was for the early part of the year very imperfectly kept, so that a part of the amount put down here as overland that year in all probability came through the ports.

up the figures to the first of January, and added in the total (193,000 bales) at that time. We now have figures which bring down the movement to the first of April; but as we have not as yet obtained all the details we desire from the railroads, we omit to give the statement, merely remarking that the direct shipments have, without doubt, during the last three months been very much less than for the earlier part of the year.

The foregoing tables, however, furnish a full statement of the production of cotton in the country for the years named: and it is to be hoped that in all future annual reviews, the total production will be given and not simply the receipts at sthe ports. To call the latter the cotton crop of the United tates is to say the least a misnomer.

COMMERCIAL CHRONICLE AND REVIEW

Monetary Affairs—Rates of Loans and Discounts—Bonds sold at New York Stock Exchange Board—Price of Government Securities at New York—Course of Consols and American Securities at New York—Opening, Highest, Lowest and Closing Prices at the New York Stock Exchange—General Movement of Coin and Bullion at New York - Course of Gold at New York—Course of Foreign Exchange at New York.

March has been devoid of any special features in financial affairs. The expectations of a return of money from the interior have been only very partially realized. For about two weeks there has been a moderate reflux of currency from New Orleans, and some slight amounts have been received also from the West. Upon the whole, however, the banks have received much less from other sections than is usual in March. The West has been backward in its payment to the East, and has bought very sparingly of goods for the spring trade, and especially upon cash terms. The South has been a larger purchaser in our markets than at any period within the last ten years, and it might have been reasonably supposed that a good amount of the currency sent there in payment for cotton would now begin to find its way back. The non-realization of this expectation, however, warrants the supposition that the South is now buying upon credit to a much larger extent than during late years—an assumption which is countenanced by the improved confidence felt in Southern merchants The retention of currency at other sections, from these causes, has reduced the loanable resources of the banks to an unusually low point. On the 27th of March the legal tenders held by the associated banks amounted to only $50,500,000. which, before the close of the month, was further reduced by large remittances to Philadelphia and other points. The change in the system of National Bank statements has not afforded that relief from interference with the course of money attached to the old method which has been expected. There has not been the derangement at the close of the month growing out of preparations for the statement to be made on the first Monday of April, but the banks, feeling that a statement may be called for showing their condition upon any day, have kept their affairs constantly in the same position as they would have held on the statement day, which undoubtedly has had no little influence in checking financial

operations. The withdrawal of money to adjoining States, in connection with the usual April settlements, has induced, at the close of the month, a very active condition of the loan market. Wall street borrowers were glad to get money, on stocks or governments, at 7 per cent in gold, and large transactions were done at a commission of 1-16 to ⅛ per cent additional to the lawful rate of interest. The larger stock houses, however, anticipating such a condition of affairs, have protected themselves by long loans running into the period when money usually becomes easy.

The following are the rates of Loans and Discounts for the month of March:

RATES OF LOANS AND DISCOUNTS.

	Mar. 5.	Mar. 12.	Mar. 19.	Mar. 26.
Call loans	—@ 7	—@ 7	—@ 7	—@ 7
Loans on Bonds and Mortgage	—@ 7	—@ 7	—@ 7	—@ 7
A 1, endorsed bills, 2 mos	—@ 8	—@ 8	8 @ 9	8 @ 9
Good endorsed bills, 3 & 4 mos	8 @10	8 @10	9 @11	9 @12
" " single names	9 @10	9 @10	10 @12	10 @12
Lower grades	12 @ 5	12 @15	12 @15	12 @15

In the stock market there has been a revival of speculative activity; but the transactions have not been so large as in March, 1868, the total sales, at both boards, for the month having been 1,053,055 shares, against 1 658,577 shares last year. This falling off in transactions may be attributed to the fact that, within the year, a large amount of stocks have passed into the hands of investors, and that an unusually liberal proportion of the stocks on the market are held steadily by combinations, in connection with schemes looking to the control of certain through routes. The earnings of the roads having been satisfactory, speculation has been characterized by a steady, not to say firm, feeling; which has been little shaken by anticipations of a close money market at the beginning of April. It is a fact deserving of note that the transactions at the boards have fallen from 5,942,000 shares, during the first quarter of 1868, to 3,597,000 shares, within the last three months, a decrease of 2 345,000 shares.

The total transactions for the month at the two boards have been 1,053,055 shares, against 1,658,577 shares for the corresponding month last year.

Classes.	1868.	1869.	Increase.	Dec.
Bank shares	2,979	2,545	.....	434
Railroad "	1,393,014	769,392	.....	623,622
Coal "	10 946	2,934	. ..	8,012
Mining "	10,012	79,516	69,504	....
Improv'nt "	20,650	10,400	.....	10,250
Telegraph "	45,953	48,035	2,083	....
Steamship "	93,398	99,298	5,900	....
Expr'ss&c "	81,625	40,935	...	40,690
Total—March	1,658,577	1,053,055		605,522
Since January 1	5,942,897	3,597,988	... .	2,344,909

The passage of the Public Credit bill and the inauguration of the new President—which was very generally regarded as the beginning of an era of economy and good faith in national affairs—have been attended with a very active speculation in United States securities. These events have been regarded in Europe as justifying a higher range of values for our bonds, and very large orders have consequently been received for the several issues of Five-Twenties; while foreign houses here have also sent out considerable amounts upon speculation. In this way, probably not less than $20,000,000 of bonds have gone to Europe

during March; and it is estimated that, at the close of the month, close upon $20,000,000 more were held by foreign houses in this city, with a view to their ultimate shipment. The large amount of bills made against these shipments so far depressed the rates of exchange as to check the export; and hence the largeness of the amount of bonds now held by foreign bankers. The advance of 1 per cent in the Bank of England rate of discount, on Thursday, is understood to have been induced very much by the large influx of our bonds and the consequent increased demand for temporary advances upon them. At the close of the month, domestic dealers were generally light holders of bonds, and appeared inclined to defer purchases until it became apparent how far the market would sympathize with the pressure in money and how far the European markets would continue to take bonds. The extent of transactions and the range of prices, during the month, will appear from the following figures:

BONDS SOLD AT THE N. Y. STOCK EXCHANGE BOARD.

Classes.	1868.	1869.	Inc.	Dec.
U. S. bonds	$13,432,750	$25,390,200	$11,957,450	$.......
U. S. notes	4,701,600	......		4,701,600
St'e & city b'ds	6,653,500	4,322,325	.....	2,331,175
Company b'ds	1,112,500	2,167,500	1,055,000	....
Total—March	$25,900,350	$31,880,025	$5,979,675	$.......
Since January 1	63,349,650	93,019,935	29,670,285	......

The daily closing prices of the principal Government securities at the New York Stock Exchange Board in the month of March, as represented by the latest sale officially reported, are shown in the following statement:

PRICES OF GOVERNMENT SECURITIES AT NEW YORK.

Day of month.	6's, 1881. Coup.	6's, 1881. Reg.	6's, (5-20 yrs.) Coupon 1862.	1864	1865,	new	1867.	1868.	5's, 10-4 yrs C'pn.
1	115⅝	115⅝	118	114¼	115	112⅞	113	....	106¼
2	115½	.....	117⅞	114	115	112½	112⅝	.....	105⅞
3	115⅝	....	117⅞	113¾	114⅞	....	112½	.....	105⅝
4	115⅞	.....	118	114¼	115⅞	112⅝	112⅞	112¾	.....
5	116⅜	115⅝	119	115	116⅝	113⅛	113¼	113	105¾
6	.....	116⅛	118¼	114⅜	.....	112¾	112⅞	112⅞	105⅞
8	.	114⅞	118⅝	114¼	116⅜	112⅝	112⅝	112⅝	105¼
9	116½	115¼	118¼	114¼	116½	112⅝	112⅞	.....	105⅞
10	116	.....	118⅜	114¼	116½	112¾	112⅝	.....	105¼
11	116¼	115⅜	119¼	114½	117	112⅞	112⅞	112¾	105¼
12	117¼	.....	120	115	117½	113⅛	113⅛	113½	.....
13	116⅝	....	.....	115¼	117¼	113¼	113¼	. .	105¼
15	116⅞	.....	119⅝	115⅜	118	113⅝	113⅝	113¼	105⅝
16	117	.....	119¾	115¼	117⅝	113⅝	113⅝	.....	105¼
17	116½	.....	119¼	114⅞	117⅜	113¼	113⅛	113¼	.....
18	116⅞	.....	120	115⅛	117⅝	113⅝	113⅝	113⅜	105⅞
19	116⅝	.....	119⅝	115	117	113⅜	113⅝	114	105¾
20	.....	116	118⅝	114¼	116⅞	113⅝	113⅝	.....	105⅜
22	116½	.....	118¼	114⅜	116⅜	113	113¼	113½	105⅞
23	.....	.....	118⅝	114¼	116¼	113⅛	113¼	.....	105¼
24	.....	.....	118⅝	114¼	116⅛	113¼	113¼	....	105⅛
25	116	.....	118⅜	114¼	116¼	113⅛	113¼	....	105¾
26				(Good Friday).					
27	115⅞	.....	118⅜	114	116½	113⅛	113¼	.....	105½
29	115⅜	.....	118⅛	113¾	115⅝	112¾	112⅞	....	105⅜
30	115⅜	.....	118⅛	113¾	115⅜	112⅞	112⅞	113	105¼
31	115½	115	118	113⅞	115⅞	113	113	.....	105¼
First	115⅝	115⅝	118	114¼	115	112⅞	113	112¾	106¼
Highest	117¼	116⅛	120	115½	118	113¾	113⅝	114	106¼
Lowest	115⅜	114⅞	117⅞	113¾	114⅞	112½	112½	112¾	105¼
Last	115⅞	115	118	113⅞	115⅞	113	113	113	105¼

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON.

Date.	Cons for mon.	Am. securities. U. S. 5-20s	Ill.C. sh's.	Erie shs.	Date.	Cons for mon.	Am. securities. U.S. 5-20s	Ill.C. sh's.	Erie sh's.
Monday........ 1	93	82¾	97	25⅛	Tuesday.............23	93⅛	83⅝	97	24⅞
Tuesday........ 2	93	81⅞	97¼	25	Wednesday...........24	93⅛	83⅞	97	24⅞
Wedney.............. 3	93⅛	81⅝	97⅛	24⅞	Thursday............25	93⅛	83⅜	97	24⅞
Thurs............... 4	93	82⅛	97⅜	24⅜	Friday 26	(Good	Friday.)		
Friday.............. 5	92⅞	83⅛	97⅛	24⅞	Saturday............27	93⅛	83⅛	97	24⅛
Saturday............ 6	92⅞	83⅛	97¼	25	Monday..............29		(Holiday.)		
Monday.............. 8	92⅞	82⅞	97	24⅞	Tuesday......... ...30	93⅛	83⅝	96⅞	24⅞
Tuesday... 9	92⅞	82⅞	97	24⅜	Wednesday...........31	93	83⅞	96⅞	24⅞
Wednesday 10	92⅞	83	97	24⅝					
Thursday 11	93	82⅝	97⅛	25⅛	Lowest..............	92⅞	81⅞	96⅛	24¼
Friday 12	93	83	97¼	26⅛	Highest........	93⅛	84	97¼	26⅛
Saturday 13	92⅞	83⅛	97	25⅜	Range.............. ..	⅜	2⅛	⅜	2
Monday 15	92⅞	83⅛	97⅛	25⅜	Last.................	93	83⅞	96⅞	24⅞
Tuesday 16	92⅞	83⅛	97⅛	25					
Wednesday...........17	93	83⅛	96⅞	24⅞	Low } Since Jan. 1	92⅜	74⅜	92¼	24
Thursday ... .18	93	83⅛	97	25	Hig }	93⅛	84	97¼	26⅜
Friday 19	93⅛	84	97	24⅛	Rng }	⅜	9⅝	5	2⅜
Saturday 20	93⅛	83⅞	97	24⅜	Last	93	83⅞	96⅞	24⅞
Monday..............22	93⅛	83⅝	97	24¼					

The following table will show the opening, highest, lowest and closing prices of all the railway and miscellaneous securities quoted at the New York Stock Exchange during the months of February and March, 1869 :

	February Open.	High.	Low.	Clos.	March Open.	High.	Low.	Clos.
Railroad Stocks—								
Alton & Terre Haut........	41⅛	41⅜	39	39	38	38	35	36
" " " pref........	68⅛	68⅛	65⅛	6 ⅛	66	66	65	65
Boston, Hartford & Erie........	....	..	....	...	25⅝	25⅞	25⅞	25⅞
Chicago & Alton	152	161	152	156⅛	159	159	149⅝	149⅛
do do pref........	153⅛	160	153	157	156⅛	156⅛	154	.
Chicago, Burl. & Quincy........	187	199	187	190	174⅛	174⅛	173	173
do & Northwest'n........	84⅜	84⅞	83	82⅞	83⅞	85⅞	81	83⅞
do do pref........	91⅛	92⅞	90	91⅛	93	92⅞	89⅞	92⅞
do & Rock Island........	130⅛	133	126⅛	126⅞	128	131	121⅝	131
Columb., Chic. & Ind. C........	56	56	45⅝	47	46	48	42⅝	48⅞
Cleve. & Pittsburg........	93⅛	94	89⅝	9 ⅝	89⅛	89⅞	87	87
do & Toledo........	104⅛	106⅝	103⅞	10 ⅝	106⅛	107⅝	104⅛	106⅞
do Col., Cin & Ind........	74	74	68⅛	68⅛	68⅛	69	62	65
Del., Lack & Western........	119⅛	119⅛	115	115⅞	117⅛	117⅛	118⅝	113⅞
Dubuque & Sioux city........	103	107	1 3	107	108	115⅛	107	115⅛
do do pref........	....	....	....	....	101	101	101	101
Erie........	38	38	38	38	....	....	....	....
Harlem........	140	140	137	137	134⅛	137	134⅛	135
Hannibal & St Joseph........	110	122	109	120	115	119	108	117
do do pref........	109⅛	118	1 8	115	115	115	110	114
Hudson River........	135	138⅛	135	137	136	140⅛	135⅝	138
Illinois Central........	139	145	133⅞	140	140	141	1 9	139
Joliet & Chicago........	95	95	95	95	96	96	96	96
Long Island........	....	..		....	45	47	45	47
Lake Shore........	101⅛	105⅞	101⅛	1 5⅞	106	107⅛	105	106⅞
Mar. & Cincin., 1st........	23⅛	28	23⅛	28	24	24	23	23⅞
" " 2d "........	8⅛	8⅛	8	8	8⅛	8⅞	8⅛	8⅞
Michigan Central........	119⅛	120	117⅛	118⅝	118	118⅛	117⅛	118⅞
do S. & N. Ind........	93⅞	9 ⅛	93⅛	97⅝	97	97⅝	94⅝	95⅞
Milwaukee & St. Paul........	66⅛	67	64⅛	66	66⅝	71⅛	64⅛	71⅛
do do pref........	81⅞	81⅞	77	78⅛	78⅛	80⅛	76	80⅞
Morris & Essex........	86	87	86	86⅞	87	88	86⅞	86⅞
New Jersey........	130	130	129⅛	129⅛	129	129	129	129
do Central........	113	114	110	110⅛	111	112	108⅛	108⅞
New York Central........	162	165⅛	160	164⅝	162	164⅛	155⅛	160
do & N. Haven........	154	154	143	144	....	....	....	...
Norwich & Worcester........	98	105	98	105	105⅛	105⅛	100	102⅞
Oil Creek & Alleghaney........	75	75	75	75	....	....	....	....
Ohio & Mississippi........	88	88⅞	83	84⅛	34	34	32	32⅛
do do pref........	76	77	75⅛	76	75	76	75	76
Panama........	340	340	332	335	330	335	330	330
Pittsb., Ft. W. & Chica........	121	123	117⅛	121	124	125⅛	117	125⅛
Reading........	96⅛	96⅛	91⅝	92⅞	92⅝	92⅝	91	91
Stonington........	82	82	82	82	....	....	....	....
Rome, W. & Ogdensb'g........	....	....	....	...	111⅛	111⅛	111⅛	111⅛
Toledo, Wab. & Western........	65	68	63⅛	68	66	68	65⅞	66⅞
do do do pref........	77⅛	77⅛	77	77	78	79	78	79
Warren........	....	....	....	....	87⅝	87⅝	87⅝	87⅝

Miscellaneous—								
Ashburton Coal	2	2	2	2	....	...	....	....
Central	65	63	60	63	62½	63	62¼	63
Cumberland Coal	38¼	38¼	36	37	37	37	37	37
Del. & Hud. Canal Coal	125½	129	125	128	128½	129	127	128
Pennsylvania Coal	....	...	....	....	215	217	212½	215
Spring Mountain Coal	50	50	50	50	....	...	....	....
Wilkesbarre Coal	....	....	....	....	28	28	28	28
Atlantic Mail	....	....	....	....	20	20	20	20
Pacific Mail	119¼	120	97⅝	102	101¼	101½	88¼	89⅜
Boston Water Power	15¼	16	15¼	16	16	18¼	16	16
Canton	60	63½	60	60⅜	59¼	61½	59	59
Brunswick City	10	10	9¼	9⅜	9⅜	9⅜	9¼	9¼
Mariposa	8	11½	8	11½	13⅜	19¼	13	18⅜
do pref	24¼	32¼	24¼	32½	33⅜	35	31¼	34⅜
Quicksilver	23⅝	25¼	22½	24¼	25⅞	25⅜	19½	20
Manhattan Gas	250	250	250	250	....	....	....	....
West. Union Telegraph	38	39	36¼	37½	37⅞	38½	36⅜	38⅜
Union Trust	....	....	....	....	145	145	145	145
Express—								
American M. Union	38¼	45	38	45	40½	45	39¼	40⅞
Adams	48¼	65	48	64¼	60	64	58	58⅜
United States	43	59	43	55½	55	56⅜	54	56⅜
Merchant's Union	14¼	18¼	12½	17⅜	16	17½	15	15
Wells, Fargo & Co.	24	30¼	23	30½	31½	32	30	30¼

The gold premium has been comparatively steady. The course of our foreign trade has induced some firmness among holders; but the large exports of bonds have neutralized any upward tendency in the premium from that cause. Holders, however, have derived some advantage, during the latter half of the month, from loans. The reduced supply on the market has enabled them to obtain high rates from speculative sellers, the interest at one time reaching ⅛ per cent per day. The government has furnished $3,698,000 of coin in the way of interest payments, but has taken off the market $13,241,000 in receipts for customs duties, an unusually large amount. The receipts from California have been $669,000 less than in March, 1868, but, as an offset, the exports to foreign ports have been $1,220,000 less than at the same period of last year.

COURSE OF GOLD AT NEW YORK.

Date.		Open'g	Lowest.	High'st.	Closing.	Date.		Open'g	Lowest.	High'st	Closing.
Monday	1	131⅜	131½	132	131⅜	Wednesday	24	131⅜	131¼	131½	131⅜
Tuesday	2	132⅜	131½	132¼	131⅞	Thursday	25	131½	131	131¼	131½
Wednesday	3	132¼	131¾	132¼	132	Friday	26	(G	ood	Frid	ay.)
Thursday	4	131¾	131⅝	131⅞	131⅜	Saturday	27	131¼	130⅞	131¼	131½
Friday	5	131⅝	131	131⅝	131	Monday	29	131½	131½	131⅜	131⅜
Saturday	6	130⅜	130⅜	130⅞	130⅞	Tuesday	30	131½	131⅜	131½	131⅜
Monday	8	132	131⅜	132	131⅝	Wednesday	31	131⅜	131¼	131⅜	131⅜
Tuesday	9	131¼	130⅞	131⅝	131¼						
Wednesday	10	131½	131⅜	132	131¾	March..1869		131½	130⅜	132½	131⅜
Thursday	11	131⅜	131⅜	131⅞	131⅝	" 1868		141¼	137⅞	141¼	138⅜
Friday	12	131¼	131	131⅜	131	" 1867		140¼	133⅝	140⅞	134
Saturday	13	131¼	131¼	131¼	131¼	" 1866		136⅝	124⅞	136½	127¼
Monday	15	131	131	131½	131½	" 1865		201	148½	201	151⅜
Tuesday	16	131½	131⅜	131⅜	131½	" 1864		159½	159	169¼	164¼
Wednesday	17	131⅞	131½	131⅞	131⅜	" 1863		171½	139	171⅜	149⅜
Thursday	18	131¼	130⅞	131¼	131	" 1862		102⅜	101⅜	102½	101⅜
Friday	19	131¼	130⅜	131¼	131	" 1861		100	100	100	100
Saturday	20	131	130⅜	131½	131						
Monday	22	131⅜	131	131⅜	131¼	S'ce Jan 1, 1869		134¼	130⅞	136⅝	131⅜
Tuesday	23	131	131	131¼	131¼						

The following formula will show the movement of coin and bullion during the month of March, 1868 and 1869, respectively:

GENERAL MOVEMENT OF COIN AND BULLION AT NEW YORK.

	1868.	1869.	Increase.	Decrease
Receipts from California	1,508,433	839,919	......	668,514
Imports of coin and bullion	848,841	1,590,072	741,231	....
Coin interest paid	3,161,086	3,698,831	537,745	....
Total reported supply	$5,518,360	$6,128,822	$610,462	....

Exports of coin and bullion..............................	$3,583,609	$2,362,568	.. ....	$1,220,041
Customs duties	9,717,472	13,241,405	2,388,933	....
Total withdrawn	$13,3 0,031	$15,603,973	$2,308,8??	$........
Excess of withdrawals.................................	$7,781,721	$9,475,151	$1,698,430	$........
Specie in banks decreased............................	4,147,384	7,417,912	3,385,57?	......
Derived from unreported sources	$3,634,387	$2,062,239	$.......	$1,572,148

The following exhibits the quotations at New York for bankers 60 days bills on the principal European markets daily in the month of February, 1869 :

COURSE OF FOREIGN EXCHANGE (60 DAYS) AT NEW YORK.

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin cents for thaler.
1........	108¾@ 09	517½@516¼	40⅛@4 ⅜	78⅜@78⅝	35⅞@36	71⅛@71¼
2	109⅛@109¼	517½@515⅝	40⅛@40⅜	78⅜@78⅝	35⅞@36	71⅛@71¼
3....................	109⅛@109¼	517½@515⅝	40⅛@40⅜	78⅜@78⅝	35⅞@36	71⅛@71¼
4....................	108⅞@109	517½@515⅝	40⅛@40⅜	78⅜@78⅝	35⅞@36	71⅛@71¼
5...........	108¾@108⅞	520 @517½	40⅛@41¼	78⅜@78¾	35¾@35⅞	71⅜@71¼
6.	108¾@108⅞	520 @517½	40⅛@41¼	78⅝@78¾	35¾@35⅞	71⅜@71¼
8.................. ..	108¾@108⅞	520 @517½	40⅛@41¼	78⅝@78¾	35¾@35⅞	71⅜@71¼
9....................	108¾@109	520 @517½	40⅛@41¼	78⅝@78¾	35¾@35⅞	71⅜@71¼
10..................	108¾@109	518¾@517½	40⅛@41¼	78⅝@78¾	35¾@35⅞	71⅜@71¼
11..................	108⅞@109	518¾@517½	40⅛@41¼	78¾@78⅞	36 @36¼	71⅛@71¼
12..................	108⅞@109	518¾@517½	40⅛@41¼	78¾@78⅞	36 @36¼	71⅛@71¼
13..................	108⅞@109	518¾@517½	40⅛@41¼	78¾@78⅞	36 @36¼	71⅛@71¼
15..................	108⅞@109	518¾@518¼	40⅛@41¼	78¾@78⅞	36 @36¼	71⅛@71¼
16............	108¾@109	518¾@518¼	40⅞@41	78¾@....	35⅞@36	71⅛@71¼
17..................	108¾@108⅞	518¾@518¼	40⅞@41	78¾@....	35⅞@36	71⅛@71¼
18..................	108⅝@108¾	518¾@518¼	40⅞@41	78¾@....	35⅞@36	71⅛@71¼
19..................	108⅝@108¾	521¼@520	40⅝@40¾	78⅛@78⅜	35⅝@35¾	71⅛@71¼
20..................	108⅝@108¾	520 @518¾	40⅛@40¼	78⅜@78⅝	35⅝@35⅞	71⅜@71¼
22..................	108⅛@108⅜	520 @518¾	40⅛@40¼	78⅜@78⅝	35⅝@35⅞	71⅜@71¼
23.	108⅛@108⅜	521¼@520	40⅛@40⅜	78⅝@....	35⅞@36	71⅛@71¼
24........	108⅛@108⅜	521¼@520	40⅛@40⅜	78⅝@....	35⅞@36	71⅛@71¼
25..................	108⅛@108⅜	521¼@520	40⅛@40⅜	78⅝@....	35⅞@36	71⅛@71¼
26..			(Good Friday.)			
27..................	108⅛@108⅜	521¼@520	40⅛@40⅜	78⅝@....	35⅞@36	71⅛@71¼
29............ ...	108⅛@108⅜	521¼@520	40⅛@40⅜	78⅝@....	35⅞@36	71⅛@71¼
30..................	108 @108⅜	523¾@521¼	40⅛@40⅜	78⅜@78⅝	35⅝@35¾	71 @71¼
31..................	107¾@108	523¾@521¼	40⅛@....	78⅛@78⅜	35⅝@....	71⅛@71¼
Mar., 1869............	107¾@109¼	523¾@515⅝	40⅛@41¼	78⅛@78⅞	35⅝@36¼	71⅛@71¼
Mar., 1868...... ..	109⅜@110	517½@513¾	41 @41⅜	79 @79⅜	36 @36¼	71⅞@72

RAILROADS OF MASSACHUSETTS AND NEW JERSEY.

The statement given below furnishes an abstract in tabular form of all the principal items contained in the Reports upon Railroads made to the Legislatures of Massachusetts and New Jersey respectively ; that of Massachusetts is for the year ending November 30, 1868, and of New Jersey for the year ending December 31, 1868.

The report upon the railroads of Ohio was given in the MAGAZINE of February, 1869, and the reports of New York and Pennsylvania will be presented very soon. These reports, taken together, furnish a very complete summary of the operations and financial situation of the numerous and important railroad companies in the States mentioned, and if a comparison with the previous year is desired, the principal reports for 1867 will be found in the MAGAZINE of May, 1868.

ABSTRACT, PREPARED FROM THE RETURNS OF THE SEVERAL RAILROAD CORPORATIONS IN MASSACHUSETTS, FOR THE YEAR ENDING NOVEMBER 30, 1868.

Corporations.	Capital paid in.	Debt.	Cost of Road and Equipment.	Length of Road.	Gross income.	Expense of working.	Interest paid.	Net income.*	Per cent of dividends.	Surplus.
Berkshire a	$600,000 00	None.	$600,000 00	21.14	$42,060 00				7.	
Boston, Clinton & Fitchburg b.	624,600 00	$469,598 44	1,027,004 56	28.97	176,880 48	$121,147 58	$35,469 81	$30,963 15	6.	$256 90
Boston, Hartford & Erie	18,939,800 00	16,871,771 85	21,318,631 42	113.00	1,238,?67 56	1,014,828 59				
Boston & Albany c	14,934,100 00	4,737,020 00	18,378,001 58	†62 42	6,074,605 09	4,156,173 81	354,397 64	1,564,084 57	10.	1,717,056 21
Boston & Lowell d	2,169,000 00	756 844 35	2,657,500 12	126.75	975,986 81	706,106 91	45,998 60	283,881 80	8.	231,547 41
Boston & Maine e	4,471,274 52	210,003 00	4,936,611 26	†36.61	1,648,073 51	1,112,168 95	2,940 13	470,909 56	10	951,942 45
Boston & Providence f	3,360,000 00		3,360,000 00	†47.00	1,171,448 92	841,615 61	951 66	328,821 65	8.	408,415 09
Cape Cod g	801,905 94	199,192 42	1,401,833 34	46.01	319,316 89	148,878 89	8,743 07	27,310 16	6½	
Cape Cod Central g	188,195 19	145 848 46	337,647 79	18.90	16,231 05	12,378 81	3,129 90	623 54	..	
Cheshire	2,085,925 00	771,800 00	2,689,807 06	†10.73	715,527 94	506,751 50	39,187 43	109,639 01	4	108,099 27
Connecticut River	1,700,000 00	290,000 00	1,978,742 81	50.00	619,848 60	425,829 96	15,921 55	178,087 16	9.	209,093 84
Danvers e	67,500 00	178,197 68	244,456 02	9.20					..	
Dorchester & Milton h	73,340 00	58,448 07	136,372 77	8.25					..	
Eastern i	3,883,300 00	3,048,600 00	6,105,232 57	47.71	1,452,213 10	868,508 57	133,606 90	425,329 99	8.	221,016 42
Easton Branch f	49,662 50	None.	56,144 27	8.78						
Fairhaven Branch j			234,659 64	15.11	48,950 50	46,352 28		2,598 22	..	
Fall Riv., Warren & Providence	150,000 00	238,450 00	330,059 89	†3.?6	31,319 99	25,549 21	15,098 92		..	
Fitchburg	3,540,000 00	No debt	3,540,000 00	51.00	1,155,259 82	810,958 70	None.	344,310 69	8.	556,475 98
Fitchburg & Worcester	248,200 00	21,653 91	275,000 00	13.90	91,943 33	75,282 36	1,753 66	14,907 81	6	30,830 65
Hartford & New Haven	3,300,000 00	927,000 00	† 265,027 66	†5.87	1,697,334 39	1,094,985 03	57,576 51	481,590 81	12	Not stated.
Horn Pond Branch d	2,000 00	13,238 46		0.66					..	
Lexington & Arlington	241,000 00	39,600 00	258,707 75	6 63	39,462 96	36,554 31			..	
Lowell & Lawrence d	200,000 00	71,480 25	363,158 12	12 35	21,807 19	8,2?9 96	4,131 33	14,388 90	6	9,271 01
Middleborough & Taunton	149,092 93	None.	152,839 31	8.54	44,490 94	43,479 18	None.	1,011 76	..	19,958 86
Milford & Woonsocket	82,250 00	31,000 00	110.662 16	3 88			1,045 88		..	
Nashua & Lowell k	720,000 00	15,000 00	737,705 83	†9.24	430,649 07	344,504 30		86,144 77	10	95,266 59
New Bedford & Taunton j	500,000 00	174,000 00	500,000 00	20.13	181,556 62	130,175 24	10,990 60	40,390 78	8	102,957 47
Newburyport e.	220,340 02	375,892 19	597,386 33	26.98					..	
New Haven & Northampton	1,500,000 00	787,500 00	†911 040 22	†33.00	†88,935 53	†107,100 31	51,823 51		..	
New London Northern	995,000 00	728,500 00	1,486,022 78	144.00	395,822 69	276,527 65	44,331 09	74,963 95	8	
Norwich & Worcester	2,363,700 00	747,060 89	2,613,694 21	†17.54	684,877 65	462,902 20	41,342 12	180,633 33	6	252,757 63
Old Colony & Newport h	4,918,420 00	3,082,000 00	7,786,298 82	†124.75	1,295,041 69	765,072 14	164,509 26	310,141 66	6	254,646 88
Pittsfield & North Adams	450,000 00	None.	443,677 67	18 65	108,597 44	78,324 44		30,273 00	6	
Providence & Worcester	1,900,000 00	55,000 00	1,888,496 84	†25.51	723,388 01	562,017 98	2,378 25	158,996 78	8	23,426 02
Salem & Lowell d	243,805 00	227,512 85	468,968 84	16.88	18,016 82		13,614 00	3,654 61	1½	139 31
South Reading Branch i	209,532 78	95,547 25	299,468 ?6	8.15	9,805 18	22,451 36		Loss 12,646 18	..	
South Shore	259,685 00	167,614 16	501 592 96	11.50	77,016 89	61,055 67	9,000 00	6,961 22	3	
Stockbridge & Pittsfield a	448,700 00	None.	448,700 00	21.98	81,409 00			31,409 00	7	
Stoneham Branch d	33,255 00	54,737 45	87 992 45	2.37			900 00			
Stony Brook k	267,300 00		267,393 57	13.16	19,773 08	3,802 88		15,970 20	5½	1,126 68
Stoughton Branch f	85,400 00		111,492 96	4.04	15,395 90	9,535 78		5,860 17	6	1,922 52
Taunton Branch	250,000 00	5,836 65	250,000 00	11.10	215,521 51	190,858 91	239 52	21,423 05	8.	32,283 66
Vermont & Massachusetts	2,860,000 00	553,263 50	3,466,429 51	†67.00	508,097 17	409,016 90	29,956 24	69,124 03	1½	
West Stockbridge a	39 600 00			2 75	1,898 50				4.	322 13
Worcester & Nashua	1,550,000 00	65,608 00	1,522,200 00	†39 06	479,787 63	350,881 38		128,906 25	8	61,626 31
Totals	$81,700,283 80	$36,214,726 83	$95,145,660 90	1,261.71	$22,761,646 71	$15,809,509 27	$1,079,063 18	$5,385,596 94	‡7.95	$5,420,517 19

REPORT OF THE RAILROADS AND CANALS OF NEW JERSEY FOR THE YEAR ENDING DEC. 1868.

	Cost of road & equipm't.	Capital stock paid in.	Funded debt.	Earnings in 1868.	Expenses in 1868.	Div's in '68, p. c.
Belvidere, Del	$3,914,895	$996.150	$2,244,500	$614,376	$419,435	....
Camden & Amboy	11,221,696	5,000,000	$9,685,645			10
New Jersey	7,811,277	6,250,000	850,000	6,911,568	4,084,028	10
Del. & Raritan Can'l	4,580,894	4,999,400	......			10
Camden & Atlantic	2,062,101	1,109,405	1,065,179	325,040	190,695	....
Camd. & Burl'g'n Co	710,962	331,525	335,000	Leased to C & A.		3
Cape May & Millvil	758,865	447,000	200,000	Leased to W Jer.		3
Central of N. J	10,224,725	15,000,000	2,500,000	3,729,412	2,379,192	10
Flemington	....	150,011	100,000	17,481	20,537	....
Freeh'd & Jamesb'g	329,305	230,844	....	53,496	39,181	3
Hackens'k & N. Y	....	99,700	62,000	79,546	70.315	....
L. Branch & Sea S're	223,440	178,232	....	55,462	42,091	....
Millstone & N. Brun	109,918	95,750	......	14,660	11,118	....
Morris Canal	8,405,224	2 200,000	1,131,287	415,033	241,007	2½
Morris & Essex	9,759,062	4 523,500	8,500,500	1,921,419	1,589,000	7 stk
Northern of N. J	525,563	159,300	400,000	279,360	261,600	....
Pembt'n & Highst'n	533,785	239,650	160,000	Leased to C. & A.		6
Paterson & Hud. R	620,000	630,000	Les'd to Erie for $26,500			8
Paterson & Ramapo	350,000	248,000	85,000	L'd to E. for $53,400		5½
P. Amboy & Woodb	214,581	57,200	100,000	19,220	12,390	....
Raritan & Del. Bay	....	253,000	1,250,000	254,898	224,231	....
Salem	278,327	180,550	100,000	26,339	20,006	6
South Branch	362,304	Leased to Central of N J				6
Sussex	4,098,502	274,400	300,000	67,705	41,763	6
Vincentown Branch	45,216	25.000	15,000	2,927	3,497	....
Warren	2,000,000	1,547,650	511,400	460,370	303,844	7
West Jersey	1,840 303	1,208,750	1,221,500	565,643	318,514	....

* See note *l*.

† Within the limits of Massachusetts.

‡ Percentage of $4,756,142 82, dividends on $59,794,415 46 paid capital stock of dividend-paying railroads included in this table.

a Leased to Housatonic Railroad.

b Name changed from Agricultural Branch.

c The Boston and Worcester Railroad Company and the Western Railroad Company consolidated, under the name of the Boston and Albany. The Pittsfield and North Adams Railroad is operated by this Company.

d Operated by the Boston and Lowell Railroad.

e Leased to and operated by the Boston and Maine Railroad Company.

f Operated by the Boston and Providence Railroad Company.

g The return of the Cape Cod Central Railroad embraces only the five months ending April 30 1868; at which time the road was transferred to the Cape Cod Railroad Company, and it is now merged in the Cape Cod Railroad.

h The Dorchester and Milton Branch Railroad is operated by the Old Colony and Newport Railway Company. The Dighton and Somerset Railroad Company has been merged in the Old Colony and Newport Railway Company.

i The Essex Railroad now constitutes the Lawrence Branch of the Eastern Railroad. The South Reading Branch Railroad is leased and operated by the Eastern Railroad Company. The Rockport Railroad having been purchased by the Eastern Railroad Company, now constitutes a part of the Gloucester Branch of the Eastern Railroad.

j The Fairhaven Branch Railroad is owned and operated by the New Bedford and Taunton Railroad Company, and its return appended to that of said company.

k The Stony Brook Railroad is operated by the Nashua and Lowell Railroad Company.

l "*Net Income*" of this abstract represents the amount remaining after deducting from "*Total Income*" the following items: Expense of working, interest paid, and *all* State or National Taxes on road, dividends, surplus, &c.

§ Debt of Joint Companies.

MR. DELMAR'S REPORT ON THE TARIFF.

We give this public document with the exception of the tables:

UNITED STATES BUREAU OF STATISTICS,
WASHINGTON, December 11, 1868.

To the Secretary of the Treasury:

SIR—From the foundation of the government of the United States to the year 1846, was, with occasional exceptions, an era of what were deemed at the time high or protective tariffs. From 1846 to 1861 was an era of what were deemed at the time low or revenue tariffs. In the first era the object was protection—the incident, revenue. In the second era, the object was revenue—the incident, protection. The relative prosperity of the country during these two eras, or during certain portions of them, has commonly been used as evidence of the practical benefit flowing from one or the other of the rival systems of taxation alluded to. But when, with the amount of our foreign trade is contrasted the vastly greater amount of our internal traffic; when, in a word, it is known that our annual export trade has, at least since 1840, never amounted in value to one-fourth of our annual products of raw materials alone, and averaged scarcely one-fifth;* while as compared with the gross annual product of our industries it has scarcely exceeded five per cent,† the conclusiveness of this argument, so far as experience goes, may well be questioned.

It is sufficient for the purposes of this report, first, to merely briefly mention what doctrines upon this subject have alternately prevailed in this country, and what views are at present held.

From 1861 to the present time has constituted an uninterrupted era of high or protective tariffs; and so many articles are made dutiable, so many changes have been made in the rates of duty since 1861, so extremely high are these rates, and so complex are many of them, as to demand the attention of the statistician to the working of such a system, its effect upon the consumption of imported commodoties, its effect in benefitting the interests of domestic manufacturers, its effect upon the revenues, and finally such other marked effects as may appear to have flowed from it. The number of articles subject to duty at the present time according to Ogden's Tariff, is over 3,000. A large proportion of these, however, consist of classes of articles. For example: "Articles worn," &c., "manufactures, N. O. P." "raw materials, N. O. P.," &c., each of which classes themselves embrace a large number of seperate articles; so that the whole number of separate articles upon which import duties are imposed at the present time is probably upwards of ten thousand.

The number of changes made in the tariff since 1861 are as follows:

Act of March 2, 1861.—Changed the whole schedule.

Act of August 5, 1861.—Changed a large portion of the schedule.

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*Annual Report of Director of Bureau of Statistics. Com. and Nav. 1867, p. xxxiii.

†For Export Trade see Ibid, p. xxxi, and for value of Total Annual Product see International Almanac (New York, 1866), p. 66.

Act of December 24, 1861.—Changed duties on tea, coffee, sugar, &c.

Act of July 14, 1862.—Changed the whole schedule.

Act of March 3, 1863.—Changed duties on silk, printing paper, lac, polishing powders, washing dyes, coal oil, &c.

Act of June 30, 1864.—Changed the whole schedule.

Act of March 3, 1865.—Changed duties on cottons, liquors, silks, railroad and tubing iron, coal oil, tobacco, quicksilver, &c.

Act of March 14, 1866.—Modified the warehouse law.

Act of May 16, 1866.—Changed duties on live animals, &c.

Act of July 28, 1866.—Changed duties on cigars, cotton, and liquors, and changed basis of all foreign valuations, &c.

Act of March 2, 1867.—Changed duties on wool, all dry goods, carpets, and clothing into which wool enters, on hemps, oil cloths, oil silks, &c.

Act of July 20, 1868.—Changed duties on cigars, &c.

Besides several minor acts and parts of acts and a great variety of constructions, judicial, departmental, and others. Of these numerous legislative changes, however, the principal ones are those of 1861 and 1864.

The tables of Imports for Home Consumption will illustrate the enormity of some of the rates of duty now imposed.

[This table from its great length is omitted.]

In illustration of the complexity of many of these duties, it may be stated that the duties on balmoral skirts are levied per pound, the same on wool hats, and most other woolen fabrics; that the duties on steel vary according to valuation, being so much per cent ad valorem, and, in addition, so much per pound specific; that the duties on iron wire are graduated according to a variety of qualities and gauges; that the duties on cotton goods are graduated according to the number of threads to the square inch, the value, the texture, and the color classified in various combinations; that the duties on Muscovado sugars are levied according to a clayed standard, and that in some cases "differential," "discriminating," and "additional" duties are imposed to render complexity still more perplexing.

From this complexity has resulted so much practical difficulty in the business of importing foreign merchandise and so much dispute about the proper rates to be levied upon importations as to have created the necessity for additional officers of the revenue, some of whom are obliged to be stationed abroad for additional safeguards against under-valuations and smuggling; and have given employment to a large class of persons not connected with the government whose whole business it is to act as brokers or *entrepeneurs* between the importers and the Custom-house officials. Nor have these results stopped here; but still another class of persons has been called into existence whose business it is to interfere between the recommendations of the Executive department and the Legislature, and to seek and influence the frequent enactment and amendment of revenue laws, with the object of profiting thereby, either through the control of trade monopolies or from the possession of early information of anticipated changes in the law. Such has already been the success of these persons that they now from wealthy and powerful combinations impatient of all restraint and intolerant of all interference with their plans. All who stand in their

way are attacked with fury, and either through friendship or fear even the officers of the executive departments are brought within the range of their influence, and constrained to follow a course of action conformable to the wishes of these combinations and in their interests, and contrary to the public welfare and the interests of the people. The odious combinations that profit by the internal revenue laws are more than matched by the still more odious combinations that profit by the tariff laws, until at last it has become almost as much as the official positions of many public servants are worth, to set themselves in opposition to them in the performance of their duties to the government. The influence thus exerted upon the tariff laws, it should be understood, are not always in the direction of increased taxes. By the act of June 30, 1864, an internal revenue tax of five per cent was imposed upon all manufactures and productions set forth in that act. To counteract and balance such temporary disadvantages to home manufacturers as, it was thought, might result from the imposition of these taxes before the same could be drawn back in the prices of the taxed commodities when sold, a so-called corresponding increase of duties was demanded and obtained, though, in point of fact. this increase was out of all correspondence with the additional internal revenue taxes imposed, exceeding them in numerous instances many fold.

Subsequently, during the winter of 1867, a movement for the repeal of these internal revenue taxes developed itself, and notwithstanding the objections interposed by the Secretary of the Treasury to this proposed lowering of the revenues, in his letter of March 18, 1868, an act was passed on the 31st of March, 1868, which effected the repeal of nearly all the taxes upon manufactures and productions. This important act, together with some minor ones that preceded and followed it, effected a reduction in the revenues of nearly one hundred million dollars. This reduction was not followed by any corresponding reduction of the duties on imported merchandise, nor was it followed by a fall in the market prices of the merchandise from which the taxes had been removed; so that it may be concluded without fear of contradiction, that nearly the whole amount of which the government was thus deprived constituted a direct bounty for the benefit of the parties interested. Indeed, so little was a corresponding reduction in the tariff entertained, that shortly afterwards a bill was introduced into the House of Representives to still further increase the rates of duties, which bill is still pending legislative action.

At the present time a further project is mooted of abolishing the income tax. If this tax be abolished, it is respectfully suggested that there may be reason to anticipate a movement for the entire abolition of the system of internal revenue taxes. Towards this end, the odium brought upon the collection of these taxes by the influence of internal revenue combinations goes far to support the claims of the tariff combinations, and when it is called to mind that, as a general thing, taxes are unpopular in proportion as they are directly levied, the suggestions here advanced will not appear to be without foundation. This conclusion, taken in connection with the present heavy expenditures for the public service, embracing as it does one hundred and thirty millions alone for interest on the public debt, points to a period when the demands of the tariff combinations will be still further increased. and the present high tariff sought to be superseded by a still higher one, with what results upon

the dicipline of the service, the yield of the revenue, upon public morality, and the industrial interests of the country, will readily be foreseen.

When the means for opposing these tendencies are sought for, in view of the great interests involved, how few and impotent they are. So marked is becoming the influence of these combinations, that it is feared that the recommendations of the executive departments on this and cognate subjects may fail in future to receive that amount of consideration which they are entitled to command. Nor does the action of the commercial community, as indicated by the movements of trade organizations, appear to develop any material opposition to these repeated augmentations of customs duties; for while they accrue principally to the temporary advantage of the home manufacturers, and the combinations early apprised of their intended enactment, they also accrue in a measure to the temporary benefit of importing merchants, since they enable them to dispose of at higher prices such stocks of merchandise as they may have on hand at the time. In short, the only persons whose interests are both temporarily and permanently opposed to these combinations are the people at large, who are not organized, and whose interests fail to be fully recognized and represented in the ordinary manner. This results from the fact that the question as to what is their true interest in the matter is a very complex one, but more from the fact that the subject has not been publicly agitated in this country for upwards of a whole generation

These circumstances afford but little encouragement to oppose in any manner the prevailing tendency on this subject; but the public servant should ever be mindful that the ultimate object for which he is employed is the public interest, and that, wherever in the line of his duty, he believes the public interest to be in one direction, he should never fear to pursue it, no matter what powerful combinations and what influences may lie in the other.

There was brought to the director's attention, while engaged upon the business of organizing and preparing the system of custom house statistics returned to this office a series of returns, the compilation of which had been neglected for many years, that afforded—what had not been shown since the administration of Mr. Secretary Walker—a clear view of the working of the tariff laws. The returns referred to are those of home consumption (imports) and imposts (duties), now printed for the first time. These returns, their important nature, and the neglect which for many years had atttended their compilation in this Department were referred to in a previous report.* Their results will form the subject of the present report.

A few further remarks are necessary by way of preface.

Whatever has been the permanent effect of high duties on importation in restricting in other countries, or in past times even in this country, the statistics to be adduced will prove (other things being equal) that—except for a short interval following their first imposition, the time varying

* Commerce and Navigation, 1867.

according to the severity of the rate, generally from one to three years—custom duties have no such effect in this country.*

Importations are renewed, generally on an undiminished scale, and never diminished beyond that trifling extent which would result from the same degree of taxation levied in any other manner. This is a point of the highest importance, for it decides the question : "Is it practicable to secure by means of a tariff, the domestic monoply of any commodity capable of being more cheaply produced abroad ?"

The director has carefully examined the statistics of the importation of a large number of important articles, and in every instance he has found that an increase of duty on the article has been followed, first by a temporary check of importation and falling off of the revenue, and, after a brief interval, by a resumption of importation on an undiminished scale, and an increase of the revenue.

The result of these observations suggests the advantage of in future considering all proposals to raise the tariff purely from the standpoint of revenue, and without any regard to their supposed effect upon importation, and consequently their effect in protecting or subserving the interests of domestic producers or others ; it being shown that these latter effects cannot be more than of a merely ephemeral character, generally lasting not over a year—sometimes not beyond a few months—the effect, of course, being proportionate to the percentage of increase effected in the tariff. It is in this light that they are respectfully submitted for your consideration and that of Congress. A more particular description of the tables from which these important facts are derived, now becomes necessary.

THE HOME CONSUMPTION AND IMPOST TABLES.

Up to the year 1864 the collectors of customs were not required by the Treasury Department to report the quantities and values of all articles which were imported and paid duties at their several Custom Houses and the amount of duties paid on the same. An "impost account" was demanded of, and rendered by them, which exhibited the quantities of all the separate articles imported that paid specific duties, and also showed the amount of cash received as duties on each of these articles. But as to those much more numerous articles that paid *ad valorem duties*, the form of account demanded, only called for the total value of all the articles that entered into each *ad valarem* class, as *e. g.* the 10 per cent, the 50 per cent, the 60 per cent class, &c, and the total amount of duties received on each of such classes.

From accounts thus constructed, it was impossible to separately ascertain either the quantity imported of, or the duties received on, any article taxed *ad valorem.*

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* To present the induction in a mathematical form would require more space for explanation and illustration than would be consistent with the limit of this report. The rate of duty levied, the comparative importance of the articles taxed, the total amount of taxes raised, the relation between the home capacity for producing, and the consumption, of a given article, and the net revenue of the country—are all elements of which the duration of a given protection is the function. For instance, on one point: a given increase of duty on castor oil (a comparatively unimportant article) would afford a much longer protection than an equal increase on iron (a very important article); and, for instance, on another point: the effect of a given increase of the duty on sugar, which for the present may only be produced to a comparatively small extent within the country, would be more less marked than that of an equal increase of the duty on iron, which even now may be produced at home to an extent fully equal to the consumption.

The insufficiency of the impost accounts in omitting to furnish the quantities of and duties on each separate article taxed *ad valorem*, seemed to have attracted the attention of Mr. Secretary Fessenden, who, in 1864, issued a regulation calling for the rendition of an account from collectors which should furnish the same details relative to the importation of articles taxed *ad valorem* as were furnished of articles taxed specifically, and moreover, requiring the sworn values of the latter (a matter that had previously been omitted) to be furnished also. In obedience to this requisition the accounts were prepared and forwarded by the collectors, but they were never compiled in the department. Through this neglect the collectors gradually ceased to render them, and when the Bureau of Statistics was first organized (in 1866) not above four or five customs collectors were found to have continued the practice of rendering them to the department, and with these few accounts nothing was ever done beyond filing them away. It was not known what accounts they were, or why they were sent, and no inquiry seemed to have been made in the matter. As for the regulation of 1864 it seemed to have been entirely forgotten. The necessity of possessing an account of this character induced the Director to make such inquiries as afterwards resulted in a knowledge of the neglected regulation, and as eventually led to its enforcement.

The first fruit of the regulation of 1864 was, consequently, the Home Consumption and Impost account of 1867, which has been but lately completed. Without the aid of this account of 1867, the conclusions reached in this report would hardly have suggested themselves, so much are they due to that clear view of the subject afforded by a careful study of the latter account, in connection with the impost accounts of preceding years.

It is hoped that under no circumstances will this important account be permitted to ever again fail to reach the public.

The tables for the period 1862 to 1866, inclusive, will be found in the following publications:

Impost account, 1862—Com. and Nav., 1862, p. 346.
Impost account, 1863—Monthly report, No. 15, p. 17.
Impost account, 1864—Com. and Nav., 1866, p. 398.
Impost account, 1865—Monthly report, No. 4, p. 6.
Impost account, 1866—Com. and Nav., 1867, part 2, p. 354.
Home consumption and impost account, 1867—herewith.

It will be observed that of the entire series of these accounts, but one was published before the Director assumed the superintendence over this office.

An examination will now be made of the statistics of protected articles, selecting for this purpose the leading articles of iron and steel manufacture.

PIG IRON.

The amount of pig iron imported and paid duties of 1861 is not known. The net amount "entered," however, was 1,466,839 cwt., which probably approximates the amount imported. The rate was then 24 per cent ad valorem. This rate was raised by act of March 2, 1861, to 30 cents per cwt. The import at once fell off to 446,225 cwt. in 1862, but recovered

after the lapse of one year to 744,375½ cwt. in 1863. In 1864 the import rose to 1,576,562 cwt., by which time the act of 1861 appears to have ceased to have had any effect on importation. In this year the tax was raised 50 per cent higher, viz.: to 45 cents per cwt. The import at once fell off to 1,092,679½ cwt. in 1865, but recovered after the lapse of one year to 1 957,384 cwt. in 1866, by which time the act of 1864 had ceased to have any effect on importation. In 1867 the import rose to 2,279,799 cwt., and has not diminished since.

During all this period the revenues from this source show a constant increase each year.

RAILROAD IRON.

The amount of railroad iron imported and paid duties in 1861 is not known. The net amount entered, however, was 1,496,580 cwt., which probably approximates the amount imported. The rate was then 24 per cent ad valorem. This rate was raised by the act of March 2, 1861, to 60 cents per cwt. The import at once fell off to 124,723¼ cwt. in 1862, and partially recovered to 397,866½ cwt. in 1863, the rate having been again raised by act of July 14, 1862, this time to 67½ cents per cwt., and the import again checked.

But in another year, 1864, it recovered to 2,084,587 cwt., by which time the acts both of 1861 and 1862 appear to have ceased to have had any effect on importation. The rate was again raised by act of March 3, 1865, to 78 4-10 cents per cwt., and the import in 1865 fell to 1,488,854 46-112 cwt., consisting chiefly of entries under the intermediately previous rate, enacted June 30, 1864, of 67 2-10 cents per cwt. In 1866 the import improved a little, amounting to 1,581,464 58-112 cwt. But in 1867, while still subject to the increased rates, it surpassed its amount in any of the previous years named, the import reaching 2,094,233 17-112 cwt. So that by this year the influence of all the previous increases of rates had ceased to have any effect on importation. The amount of duties received increased each year to 1864, then temporarily fell off to more than recover again in 1867.

POLISHING IRONS.

These articles, though of minor importance, exhibit the same results as the preceding. The rate previous to the act of 1861 was 24 per cent ad valorem. The rate was raised to 1c per lb., when the import fell off in 1862 to 1,590 lbs. This increased in the following year to 10,616 lbs., when the rate was again raised to 1¼c per lb.; notwithstanding which the import continued to increase; when the rate was once more raised, this time to 1½c per lb. This threw the import in 1865 back to 3,050 lbs. A partial recovery took place in 1866, and by the year 1867 the influence on importation of all these various rates entirely ceased; the import of that year having reached 41,023 lbs.

HOLLOW WARE.

Under the 24 per cent tariff previous to 1861 these articles were imported to a very considerable extent. No statistics. By the imposition

of 2½ cents per pound, under the act of 1861, the import fell (it is believed to have been previously much greater) to 33,878 pounds. Recovering within a year to 48,052 pounds, the rate was raised to 3 cents, when the import in 1864 fell to 17,541 pounds. Notwithstanding a further increase of rate, it increased in 1865 to 69,500 pounds, in 1866 to 88,401 pounds, and in 1867 to 271,791 pounds, the duties every year showing an increase except in 1864.

OLD AND SCRAP IRON.

Rate in 1861, 24 per cent ad valorem; net entries, 127,870 cwt. By act of 1861 the rate is raised to 30 cents per cwt.; import falls in 1862 to 48,791¾ cwt.; increases in 1863 to 199,797½ cwt.; by which time the effect of the increased rate on importation is entirely lost; increases again in 1864 to 213,755½ cwt., when the rate is again raised, this time to 40 cents per cwt. Import in 1865 increases, notwithstanding, to 274,829 cwt.; falls off slightly in 1866 to 241,079⅛ cwt.; and increases in 1867 to 708,104 cwt.

It has occurred that the decrease in the import of these commodities from 1861 to 1862 may be ascribed to the influence of the civil war.

This objection will not avail, since the argument would be just as strong, if all reference to the falling off from 1861 to 1862, were omitted. The most important conclusion derived from these statistics is not that an increase of the rate of duty occasions a falling off of importation, but on the contrary, that it fails to produce such an effect. The clear and irrefutable proof of this fact is the main object of this report, and it is impossible to see how the evidence can be successfully impugned. The quantities shown in the tables are those upon which the duties were paid, and the combined amount of the latter tallies with the cash received into the Treasury. The quantities are not merely approximate—they are exact: and here the matter might rest altogether. But the statistics furnish other and less important, but very interesting results. It is observed that though increased rates of duty fail to destroy importation, yet that there is, nevertheless, an interval which follows the imposition of the increased duty, of about one year, scarcely ever more, during which the importation is temporarily checked by it. The one is a result, the other an incident, and the objection applies only to the incident, which is unimportant, and is merely interesting for the reason that it is sometimes mistaken for the result.

It is what occurs in this temporary interval, it is this incident, that is made the ground of a permanent policy, while what follows as a permanent result, viz.: the defeat of the attempted protection is not perceived, or if perceived, ignored. Manufacturers are delusively led to believe that an increase of tariff will secure them a monopoly of the home market, and are thus induced to contribute largely to support combinations having or professing to have this object in view, and the influence to secure it. The combination exerts itself in procuring the passage of the law, profits by being able to anticipate its effect on prices; and having pumped this source of profit dry, bequeaths it to the manufacturer, whose brief and second-hand employment of it is soon interrupted by a rise in the wages of his workmen, and afterwards destroyed by the recurrence of

the same relative position in the market prices of the foreign and domestic article as that from which he sought relief by this wholly ineffectual and delusive agency.

The manufacturer suffers; the workmen are impoverished, for they rarely obtain an advance of wages exactly equal to the advance in the cost of living which the increased tariff has occasioned; the public is fleeced by it both directly and indirectly, and demoralized in a thousand ways, and nothing comes of it but profit to the combination and a popular delusion which has been dignified by the name of a system, and falsely entitled Protection to Home Industry. The rest is mere waste, social friction—Sisyphism.

To recur to the comparison of 1861 with 1862, which illustrates the first temporary check to importation during the period 1861 to 1867, inclusive,* it should be stated that the total entries of 1862 fell off but 18 per cent from those of 1861; while of the articles on which the duties were heavily increased the entries fell off 25, 50 and 75 per cent—often to mere nothing.

But suppose the objection made in reference to this period be admitted to have full force, this does not dispose of the falling off from 1864 to 1865, following the tariff of June 30, 1864. The war came to a close in 1865, the total entries of that year amounted in value to but $249,000,000 gold, while in 1864 they had reached $330,000,000—a falling off of 25 per cent. It is deemed a bad rule that does not work both ways; but what shall be thought of one that will not work either way?

IRON WIRE.

Of this article in 1861 the net entries were 226,126 pounds, which approximately represents the imports, the duty having been then 24 per cent ad valorem. This rate having been raised to a complex compound duty depending on size, quality, value, etc., the imports in 1862 fell to 217,116 pounds. The rates were again raised very materially; yet in 1863 the imports rose to 1,734,770½ pounds, of which, however, a considerable portion—241,961 pounds—were imported under the rate previously existing. This avail having failed, and the duty being now very onerous—its effect in this instance lasting beyond one year—the imports of 1864 fell to 1,055,021 pounds. Yet again were the rates raised, causing the imports in 1865 to fall to 570,139 pounds. But here the influence of this policy on importation reached its limit. The imports in the following year rose to 1,371,288 pounds, and continued in 1867 to remain at 1,289,843 pounds. It will thus be observed that at the rate of 24 per cent ad valorem the imports only amounted to 226,000 pounds per annum; while at rates running from 2 cents per pound and 15 per cent ad valorem to 4 cents per pound and 15 per cent ad valorem the imports averaged 1,330,000 pounds per annum.

IRON CABLES AND ANVILS.

Net amount entered in 1861, including anchors, (import about the same,) 7,011,200 pounds; excluding anchors, (estimated at 450,000

* It may be stated in this place that the imports under the Reciprocity Treaty—mainly live animals, grain, provisions, lumber and other products of the forest—are omitted from any of the comparisons herein adduced.

pounds,) 6,561,200 pounds. Duty 24 per cent advalorem. Rate raised to $1\frac{1}{4}$ cents per pound: import falls in 1862 to 6,516,436 pounds; rates raised to 2 cents on cables and $2\frac{1}{4}$ cents on anvils; import falls in 1863 to 6,510,580 pounds; no further raise; import increases in 1864 to 10,699,259$\frac{1}{2}$ pounds; rate raised to $2\frac{1}{2}$ cents; import in 1865 falls to 3,928,413 pounds; recovers in 1866 to 7,664,279 pounds, and in 1867 increases to 10,487,009$\frac{1}{4}$ pounds.

It will be recollected that of late years, as a general thing, our tariff laws have gone into operation immediately after their enactment, and without any previous notice to the public. Hence, whatever effects were occasioned by the frequent changes of rate, they could not be forseen and taken advantage of, except by the combinations influencing their enactment, and advised of the probable success of their efforts. These combinations sometimes include foreign manufacturers, who, being thus forewarned of a contemplated increase of duties, forward an extra supply of goods in time to enter them at the old rates of duty, and reap the benefit accruing at the rise in price occasioned by the imposition of the new.

For more particular information on this topic reference is made to the official report of Mr. Consul Post, on the trade of Vienna, dated March 31, 1867, and published in the monthly report of this Bureau, No. 6, page 9, from which the following passage is extracted:

"There have been exported from this consular district to the United States during the last quarter merchandise to the value of 1,725,773.69 florins.

"The proposed increase of the United States tariff caused a large increase of exports in those articles on which it was believed the additional duties would be levied, in order that they might be entered under the law then existing. For instance, in the cloth manufactured at Brunn, the export had been about 60,000 florins per month, but when it became probable that Congress would increase the tariff on woolens, large quantities of cloth were hurried forward, and the amount sent to the United States during the months of December and January, and while the tariff was under discussion, exceeded 374,000 florins, while in March it fell to 21,000 florins.

"A careful investigation would doubtless show that, however an increase of duties may affect the government revenues and our home manufacturers, the collateral and immediate effect of such an increase, after a prolonged discussion in Congress, announcing in advance what additional duties will be required, is beneficial not only to the importers and owners of stocks on hand, but also to the manufactories abroad.

"The manufactories in this country accumulate large stocks on hand, and when an increase of duties is agitated in the United States these accumulated stocks are sent thither before the law goes into operation, and the profit of the transaction is measured by the increase of the tariff. The manufactories here, relieved of their surplus stocks are again put in active operation.

"On the other hand, when the new tariff takes effect, our country is already filled with these foreign stocks."

CERTAIN WOOD SCREWS.

The only wood screws imported into the United States for many years,

reaching back to a considerable period previous to 1860, have been small quantities of fancy screws, a monopoly of the business of manufacturing common wood screws having been successfully secured by the manufacturers in this country through letters patent on the machines employed in the manufacture. The following statistics, therefore, relate exclusively to the exceptional class of screws mentioned:

Duty, prior to the act of 1861, twenty four per cent ad valorem. No statistics of imports. Rate raised by the act of 1861 to five cents per pound on screws two inches or over in length, and eight cents per pound on screws less than two inches in length. Import in 1862, 133,036 pounds, believed to be considerably less than during the previous year. Rates raised in the following year to 6½ and 9½ cents, notwithstanding which the imports increased in 1863 to 174,006 lbs. Imports in 1864, 170,748 lbs. Rates again raised—this time to eleven cents on the smaller sizes—the sizes of which the imports principally consisted. Imports in 1865 reduced to 88,811½ lbs. But in the course of a single year the entire influence of all these repeated increases of rate was more than overcome, and in 1866 the imports rose to over one million of pounds, and in 1867 to nearly one million and a half of pounds.

A published table exhibits the details, which, as in all the preceding cases clearly and unmistakably mark, First, the influence of the two principal tariffs of 1861 and 1864; Second, the loss of that influence after the lapse of a year, more or less; and, Third, the permanent restoration of the previous condition of affairs despite the continuance of the increased rates of duty:

STEEL.

Prior to 1861, the duties on steel, whether ingots, bars, sheets, or wire, was 15 per cent ad valorem. Net entries of these various descriptions of steel in 1861, 40,289,760 pounds; import supposed about the same. The classifications afterwards adopted make it necessary to trace the cours of the import of steel in three separate directions, it being sufficient here to state that the combined imports in 1862 fell to less than 20,000,000 pounds.

I. INGOTS, BARS, SHEETS, OR WIRES NOT LESS THAN ONE-FOURTH INCHES IN DIAMETER—VALUE, SEVEN CENTS OR LESS PER POUND.

(Entries in 1861 not distinguishable from those of other steel.) Duty, under the act of 1861, raised to 1½c. per pound. Import in 1862, 6,795,094 pounds—believed to be considerably less than that of the year previous. In 1863, though the rate had meanwhile been raised to 1¾c. per pound, the import, under both the old and new rates—principally under the new rate—amounted to 14,815,075 pounds. In 1864 the import, altogether under the new rate of one and three-fourth cents per pound, rose to 18,938,549 pounds. By the act of June 30, 1864, the rate was again raised, this time to two and one fourth cents per pound, and in the following year the import fell to 11,908,873 pounds. Before the termination of the fiscal year 1866, however, the influence of this last increase of rate was entirely lost, and the import rose to 19.-274.742 pounds, and no additional duties being afterwards imposed, it rose in 1867 to 27,073,348 pounds.

II. INGOTS, BARS, SHEETS OR WIRE OF STEEL, NOT LESS THAN ONE-FOURTH INCH DIAMETER, VALUE ABOVE SEVEN CENTS AND NOT ABOVE ELEVEN CENTS.

Duty previous to the act of 1861, fifteen per cent ad valorem. Entries not distinguishable from those of other steel. No import statistics. Rate raised by the act of 1861 to two cents per pound. Import in 1862 10,011,710¼ pounds, believed to be less than that of the previous year. Rate raised to two-and-a half cents per pound. Import in 1863, 12,497,-753 pounds, showing an increase in the import notwithstanding the additional duties imposed. This increased during the following year to 14,140,867¼ pounds, when the rate was again raised, this time to three cents per pound. Accordingly the import fell in 1865 to 9,453,459 pounds, but recovered in the following year, 1866 to 9,820,680¾ pounds, and in the year 1867, increased to 11,617,545 pounds, not quite the amount from which it fell in 1864. It will be observed in this instance that the extremely high rate of duty imposed, occasioned its influence to last longer than in the cases previously adduced. The effect of the tariff of 1861 upon this article was lost in less than a year, while that of the tariff of 1864 was not quite removed in three years.

III. INGOTS, BARS, SHEETS OR WIRE, NOT LESS THAN ONE QUARTER INCH DIAMETER, VALUE ABOVE ELEVEN CENTS..

Rate previous to the act of 1861, fifteen per cent ad valorem. Entries not distinguishable from those of other steel. No statistics of imports. Rate raised by act of 1861 to twenty per cent ad valorem. No statistics of the quantity imported this year nor in the two years following. Rate again raised by the act of June 30, 1864, to three and a half cents per pound and ten per cent ad valorem. Import 1,066,960 pounds, believed to be considerably less than during the preceding years. In 1866 the import rose to 1,450,714½ pounds, and in 1867 to 1,991,532 pounds.

IV. STEEL WIRE LESS THAN ONE-FOURTH INCH DIAMETER.

Duty previous to act of 1861, fifteen per cent ad valorem. Entries not distinguishable from those or other steel. No statistics of imports By the act of 1861 complex compound duties were imposed of two cents per pound and fifteen per cent ad valorem and two and one half cents per pound and fifteen per cent ad valorem. Import in 1862, 682,740 pounds, believed to be much less than before. During the following year while the import was rapidly recovering, the duties were rendered still more onerous and complex; yet, such was the impetus attained that the import amounted to 1 209,520 pounds, but having exhausted itself, it fell in the succeeding year (1864) to 358,913 pounds, notwithstanding which, the duties were again raised and the import fell until it diminished in 1865 to 92,898 pounds. Under these various augmentations of rate the import in 1866 only rose to 199,016 pounds, although during the following year (1867) it increased to 251,383 pounds. In this instance, as in the others concerning steel, the duties were raised so often and to such an extent as to influence the importation for a period exceeding the ordinary one of a year. The combined duties heretofore imposed upon steel may therefore be regarded as having effected a three years' protection.

CERTAIN STEEL LAWS.

Duty previous to the act of 1861, twenty-four per cent ad valorem. Entries not distinguishable from those of other manufactures of steel. No statistics of imports. Rate of duty imposed by the act of 1861, eight cents, twelve and a half cents, and twenty cents per foot, according to classification. Import, 2,878 lineal feet in 1862, diminished to 2,356½ lineal feet in 1863, by the temporary exclusion of saws over nine inches wide effected by the duty of twenty cents per foot. In 1864 the import rose to 4,959 lineal feet, and notwithstanding a further increase of rate it rose in 1865 to 5,893½ lineal feet, and up to the termination of the year 1867 had not materially either increased or diminished, showing that in this case the combined increase of duties imposed amounted to something less than a three years protection.

ROLLED AND HAMMERED IRON.

Such has been the variety of rates imposed in the various tariff acts on these commodities, and such the complexity of the clasifications used, as to have involved labor in the preparation of tables. Rolled and hammered iron in 1862 consisted of eleven classes under the tariff; in 1863 of nineteen classes; in 1864 of twelve classes; in 1865 of eleven classes; in 1866 of seven classes; and in 1867 of six classes. The quantities have all been brought to the common denonination of pounds, and the rate to that per ton of 2,240 pounds.

The net entries of bar, hoop, rod, plate, plate and sheet iron in 1861, amounted to 125,523½ tons, or 281,172,640 lbs. The import of that year is not known with precision, but was probably the same as the net amount entered, or thereabouts. The rate was then 24 per cent ad valorem. By the act of 1861, an average duty of 78c, per 100 lbs, was laid upon these commodities, which, as they average 2c, per lb, in value, was equal to an ad valorem duty of 39 per cent. Upon this, in 1862 the import fell to 70,153,310 lbs. A further increase in the average rate to 89c. per 100 lbs was effected in 1863, notwithstanding which the imports rose to 182,162,131 lbs. Again the average rate was increased, this time to 90c. per 100 lbs. Despite of this, the import rose to 252,393,718 lbs., by which time the tariff had ceased to affect the importation. By the act of June 30, 1864, over one-third more duties were now imposed. This threw the import of 1865 back to 130,834,220 lbs. A year's rest from any further tariff influences, however, enabled the import to recover in 1867 to 207,576,556 lbs.

In this instance the combined increase of duties have, as has been shown with regard to various classes of steel, operated as a check upon the ordinary importation of the various articles included in the clasification for a period over the usual one year. In the case of steel it was a three years protection, and was sufficient, not only to check importation, but to diminish it. In this instance it has not been sufficient to diminish it, although enough to check it.

Without multiplying illustrations, it is contended that the principle laid down at the outset of this report—namely, that the importation of a commodity cannot be permanently checked by means of an increase of duties, and consequently that permanent protection is impracticable—has

been fully proved; in other words, that it is not possible by means of a tariff of duties to alter those relative conditions of production which, without any tariff at all, naturally exist between a commodity manufactured abroad and in this country, no matter what those conditions may be. The statistics adduced are of the highest authority, and their correctness cannot be questioned. The quantities were derived from the liquidated entries and were those upon which the duties were finally predicated, and upon which were based the cash settlements of the collectors of customs with the Treasury Department.

The only reply that can be made to the inductions they present is that the duties are not high enough yet, and that if they are placed still higher, they will effect the object sought after. The insufficiency of this reply is, obvious enough when it is recollected that the present duties are the result of some thirty or forty consecutive attempts to secure protection by means of the tariff. The first of these attempts, made in 1789, consisted of a duty of five per cent, upon all iron. This rate was thought at the time to be sufficient to equalise the difference between foreign and domestic iron, and to secure a home monoply to the latter. In the following year this rate was raised to seven and a half per cent, on manufactured iron; in 1792, to ten per cent on all iron; in 1794, to fifteen per cent; in 1804, to seventeen and a half per cent; in 1812, to thirty per cent; in 1816, to still higher rates; in 1824, to still higher rates; in 1828, to still higher rates, namely, $12 50 per ton on pig iron, $36 per ton on bar and rolled iron, and 25 per cent on other manufactured iron; when they were afterwards lowered, and alternately increased, thrrough a long series of years, untill they were at last raised up to the exorbitant rates shown in the foregoing tables, and always with the same result, namely, the recurrence of the importation after a short period following the imposition of the increased duty.

A still further inference, one of no little importance to our manufacturers, is to be derived from these statistics. If, as is believed to be fully proved, the tariff is impotent to effect a permanent home monoply to their manufactures, it follows that such of them as have continued to exist at all have existed without assistance from the tariff, and consequently are able to exist in future without any assistance, real or supposed, from this source, in point of fact they exist despite the tariff, because an increase of duties is seldom or never effected without subjecting the manufacturers to some, often to a very considerable, expense; and upon further consideration does it not seem strange that in a country where there are large deposits of iron ore and equally large deposits of coal in close contiguity, that domestic iron cannot be laid down in our markets as cheaply as foreign iron, laden as the latter is with heavy charges of freights, commisions, and profits? Labor per diem is dearer in this country. It is true, but it, perhaps, is also more efficient. Yet, however this may be, it remains to be proved, that the various manufactures of iron and steel enumerated in the foregoing exhibit have derived any permanent support whatever from the tariff, the latter having failed in any instance to check or diminish the importation of the foriegn article, except for a brief interval following the imposition of the increased duty; and it follows that the domestic manufacturers of these articles have existed not because of, but not withstanding, the tariff.

In view of these matters it certainly appears that sound policy demands in future the rejection of any other consideration in connection with the amount and source of the public revenues but those in the interest of the people at large.

I am, sir, yours respectfully,

ALEXANDER DELMAR, Director.

THE ALABAMA TREATY.

Some needless uneasiness has prevailed since the rejection on Tuesday by the Senate of the Alabama protocol, which was negotiated between Mr. Reverdy Johnson and Lord Clarendon. The reasons for this unusual action are clearly presented in Mr. Sumner's elaborate speech which was published on Thursday. That these reasons were convincing is sufficiently evident from the fact that with a single exception every vote of the Senate, without regard to political party was recorded against the treaty. We need not advert to these arguments in detail. The main principle involved in them all is this, that the treaty regarded the outrages of the Southern cruisers as directed against the individual citizens of this country,and left out of sight the paramount question that these outrages were national and political as well as individual.

From beginning to end this treaty aims at a settlement of individual claims on both sides, the one being a set off against the other. This great national difficulty is thus made to shrink from its due proportions into a petty insignificant quarrel between a few scores of private citizens in Great Britain and in the United States. The affronted honor and majesty of the United States is not regarded in the treaty. Hence, even the Confederate bondholders suppose themselves to be included in its provisions. Mr. Sumner cited from an English journal a statement that the claims of these bondholders were founded on immense quantities of cotton worth at the time of its seizure forty cents a pound, which being in the legal possession of the bondholders were to be the subject of claims just as other destroyed property before the joint commission. It appears that the Confederate loan went up from 0 to 10 on this anticipation as soon as the treaty was signed. Mr. Sumner's speech was devoted to an elaborate exposition of this political aspect of the Alabama quarrel. He showed that the treaty as it stood, left a quarrel between the two nations which would rankle in the hearts of both and might hereafter produce mischievous effects. Like a skillful surgeon he probed the wound to the bottom, that it might be treated thoroughly and healed up forever.

We presume that Mr. Motley, our new minister to England, will at some early date open negotiations for another treaty. It is only fit that full instructions should be drawn up for his guidance on two points. First, as to the nature and extent of the losses for which we claim reparation from the British Government. These losses it is almost impossible for us to estimate. Our ships were driven from the ocean; our carrying trade passed into the hands of other nations; our merchants were panic-stricken; the rates of insurance were doubled and our mercantile marine was almost annihilated. Mr. Sumner quoted from a report of Mr. F. H. Morse, U. S. Consul at London, dated January 1, 1868, the evidence on this point as follows:

On the breaking out of the rebellion in 1861, the entire tonnage of the United States, coasting and registered, was 5,539,813 tons, of which 2,642,625 tons were registered and employed in foreign trade, and that, at the close of the rebellion in 1865, notwithstanding an increase in coasting tonnage, our registered tonnage had fallen to 1,6 2,528 tons, being a loss during the four years of more than a million tons, amounting to about forty per cent of our foreign commerce. During the same four years the total tonnage of the British Empire rose from 5,895,369 tons to 7,322,604 tons, the increase being especially in the foreign trade. The report proceeds to say that, as to the cause of the decrease in America, and the corresponding increase in the British Empire, there can be no room for question or doubt.

Conceding to the rebels the belligerent rights of the sea when they had not a solitary war ship afloat in dock, or in the process of construction, and when they had no power to protect or dispose of prizes, made their sea-rovers, when they appeared, the instrument of terror and destruction to our commerce. From the appearance of the first corsair in pursuit of their ships, American merchants had to pay not only the marine but the war risk also on their ships. After the burning of one or two ships with their neutral cargoes, the ship-owner had to pay the war risk on the cargo his ship had on freight as well as on the ship. Even then, for safety, the preference was, as a matter of course, always given to neutral vessels, and American ships could rarely find employment on these hard terms, as long as there were good neutral ships in the freight markets. Under such circumstances there was no course left for our merchant ship-owners but to take such profitless business as was occasionally offered them, let their ships be idle at their moorings or in dock with large expense and deterioration constantly going on, to sell them outright when they could do so without ruinous sacrifice or put them under foreign flags for protection.

Mr. Sumner proceeded to show that "beyond the actual loss to the national tonage, there was a further loss in the arrest of the natural increase of our shipping industry, which an intelligent statistician puts at five per cent annually, making in 1866 a total loss on this account of 1,384,958 tons, which must be added to 1,229,035 tons actually lost. The same statistician, after estimating the value of a ton at $40, gold, and making allowance for old and new ships, puts the sum total of national loss on this account at $110,000,000." By the payment by England of this sum Mr. Sumner seems to think that satifaction will be made for the injuries which the British pirates inflicted on our private citizens.

Secondly, there remains the political reparation which can be made by no payment of dollars and cents, but must be provided for by treaty stipulations which shall prohibit future piratical expeditions and modify

the existing code of acknowledged international law between the two countries. We have often discussed these principles with Great Britain. And it will be a happy result of these tedious and protracted negotiations if we can settle and fix on more enlightened principles the code of international law regulating the duties and rights of neutrals and the claims and obligations of belligerents. Mr. Sumner quotes freely from various authorities on international law. But it is evident that these treatises on international jurisprudence have been sadly neglected and their teachings defied in the treaties on which rests the binding force of positive international law, as accepted and enforced among nations in modern warfare.

ERIE RAILWAY.

The main line of the Erie Railway, including the New Jersey leases, has a length from Jersey City to Dunkirk of 460 miles. It has branches from Suffern (32 miles north of Jersey City) to Piermont, 18 miles from Greycourt (54 miles from Jersey City) to Newbury, 19 miles, and from Hornellsville (332 miles from Jersey City) to Attica, 60 miles, at the latter place connecting with the Buffalo, New York and Erie Railroad. These lines aggregate 557 miles, and have connected with them 218 miles of second and 171.6 miles of side track and turnouts, making the total length of equivalent single track owned by the Company 946.6 miles. Besides this, the leases held by the Company cover an extent of 216.5 miles, on which there is 33.5 miles of second track, sidings, &c. The Company also operated in 1867–'68 at fixed rates per mile—the Warwick Valley Railroad 10 miles, the Montgomery & Erie Railroad 10¼ miles, the Middletown, Union & Watergap Railroad 14 miles, and the Jefferson Railroad 8¼ miles; and has also more recently taken a lease of the Northern Railroad of New Jersey, which it is now operating. The Erie Company have also a 12 years' lease of the Atlantic & Great Western Railway, but this road and its subsidiary leases (if any)are not accounted for in the general report of the Company.

The following table specifies the several lines owned, leased and operated in each of the last five years:

	1864.	1865.	1866.	1866-7.	1867-8.
Lines owned	557.0	557.0	557.0	557.0	557.0
Second track	191.5	205.0	208.0	212.5	218.0
Sidings, turnouts, etc	145.0	157.0	159.0	165.5	171.6
Total equivalent, single track	893.5	919.0	924.0	935.0	946.6

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The leased lines are as follows:

Buffalo, New York and Erie RR	140.0	140.0	140.0	140.0	140.0
Rochester and Gen. Valley RR	18.0	18.0	18.0	18.0	18.0
Chemung RR	17.5	17.5	17.5	17 5	17.5
Canandaigua and Elmira RR	48.5	48.5	....	....	....
Hawley Branch RR	16 0	16.0	16.0	16 0	16.0
Buffalo, Bradford & Pittsburg RR	....	....	25.0	25.0	25.0
Total leased line	240.0	240.0	216.5	216.5	216 5
Second track and sidings	19.0	21.0	30.2	31.0	33.5
Total equivalent, single track	259.0	261 0	246.7	247.5	250 0
Aggregate equivalent single track	1153.5	1180.0	1170.7	1182.5	1196 6

The rolling stock owned and operated by the Company in 1867–68 consisted of 371 locomotives and 6,343 cars; of the latter 187 were passenger cars, 300 emigrant, baggage, milk and express cars, 3,268 house, milk and oil freight cars, 11,403 platform freight cars and 1,185 coal cars. In the following table we give the number of engines and cars owned at the close of the five years, 1864–68:

	1864.	1865.	1866.	1867.	1868.
Locomotive engines	276	332	371	371	371
Cars:					
Passenger	114	133	180	190	187
Emigrant, baggage, etc	247	264	454	450	300
Box, cattle, milk and oil	2,633	2,975	3,023	3,104	3,268
Flat	1,180	1,212	1,332	1,299	1,403
Coal	540	884	991	8[illegible]4	1,185
Total number of cars	4,714	5,468	5,980	6,027	6,343

In 1867 the fiscal year which previously had closed December 31, closed September 30. This change was made so as to comply with the State law requiring all companies to report for the year then ending. In the table which follows we give a summary of the operations of the company and their results for the five years closing September 30, 1868:

		1864.	1865	1866.	1866-67.	1867-68.
Miles run by trains		6,916,324	6,839,028	7,109,129	6,458,279	6,822,970
Passengers carried		1,785,606	2,175,965	2,214,912	2,245,180	2,194,348
Freight moved, tons		2,214,295	2,534,791	2,871,505	3,484,546	3,908,243
Passenger mileage		....	....	....	128,494,241	124,312,884
Freight mileage		....	....	....	549,888,422	595,699,225
		$	$	$	$	$
Gross Earnings.	Passengers	3,002,198	4,401,354	3,148,290	2,931,833	3,531,504
	Freight	10,242,897	11,926,540	11,261,642	11,204,689	10,638,651
	Mail	101,352	101.352	129,456	130,714	142,324
	Miscellane's	83,196	32,982	57,025	49,977	64,393
	Total	13,429,643	16,462,228	14,596,413	14,317,213	14,376,872
Operating Expenses.	Passenger	2,320,171	3.369,084	3,088,859	2,210,794	3,114,037
	Freight	6,641,114	8,385,311	7,764,281	8,100,423	8,018,252
	Total	8,961,285	11,754,395	10,853,140	10,311,217	11,132,289
Net revenue		4,468,358	4,707,833	3,743,273	4,005,996	3,244,583
Earnings per mile of road		16,850	20,655	18,858	18,498	20,887
Expenses " "		11,243	14,748	14,022	13.322	16,173
Profits " "		5,606	5,907	4.836	5,176	4.714
Expenses—per cent		66.73	71.40	74.35	72.01	77.4[illegible]

The general income account shows what disposition has been made of the net earnings in the same years, and as follows:

	1864.	1865.	1866.	1866-67.	1867-68
	$	$	$	$	$
Balance from last year	777,818	857,370	620,554	356,608	800,029
Net earnings	4,468,358	4,707,833	3,743,273	4,005,996	3,244,583
Total resources	5,246,176	2,565,203	4,363,827	4,362,694	4 044,612
Interest on bonds	1,231,806	1,399,770	1,631,073	1,621,558	1,6[illegible]7,268
Rents of railroads	182,400	182,400	567,212	557,5[illegible]9	498,252
Rent of Long Dock	135,164	165,690	165,690	170,310	205,131
Internal revenue taxes	323,814	561,250	300,815	100,565	112,953
Taxes on real estate	259,819	225,416	246,335	228,889	231,550
Pavonia Ferry	34,159	22,949	....	11,665	....
Interest	....	49,329	95,181	252,261	247,376
Hire of cars	85,783	29,264	31,331	22,585	124,502
Loss and damage	....	...	98,005	....	....
Loss B., N. Y. & E. RR., etc.	303,237	488,696	....	....	78,898
Insurance	....	....	....	....	85,991
Loss on L. Erie steamers	....	....	....	....	78,898
Total disbursements	2,556,182	3,124,764	3,135,642	2,965,412	3,221,911
Dividend fund	2,689,994	2,440,439	1,228,185	1,397,192	822,701

The dividend fund was disposed of as follows:

	1864.	1865.	1866.	1866-67.	1867-68
Dividends	1,832,624	1,819,884	567,305	567,305	567,305
U. S. tax on dividend	....	....	....	29,858	....
Balance to next year	857,370	620,554	660,880	800,029	256,396

The returns for 1866–67 include and duplicate the amounts for the three last months of the year 1866. The income balance carried to 1866–67 is that of September, 1866.

The general balances of the company, showing their financial condition as of October 1, 1864–1868 inclusive, are shown in the following abstract:

	1864.	1865.	1866.	1867.	1868.
Capital—common	$16,400,100	$16,570,100	$16,574,300	$16,574,300	$37,765,[illegible]00
preferred	8,535,700	8,535,700	8,536,910	8,536,910	8,536,910
Total capital stock	$24,935,800	$25,105,800	$25,111,210	$25,111,210	$46,302,210
1st mort. 7 p.c. b'ds '77	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
2d " " " '77	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
3d " " " '83	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
4th " " " '80	3,634,000	4,441,000	4,441,000	4,441,000	4,441,000
5th " " " '88	1,082,500	926,500	926,500	926,500	926,500
Buff. Br. " " '91	186,400	186,400	186,[illegible]	186,400	186,[illegible]
Real estate bonds	500	500	500	500	500
Sterling 6 p.c. b'ds, '75	....	3,816,582	3,875,520	3,875,520	4,844,[illegible]
Total bonds	$17,823,400	$22,370,982	$22,429,920	$22,429,920	$23,[illegible]
Accounts payable	2,941,432	3,551,981	4,604,452	4,844,856	6,23[illegible]
Accrued int. and div.	1,487,282	1,642,578	1,191,412	1,133,217	5[illegible]3
Income accounts	857,370	620,554	660,880	800,029	822,701
Total	$48,645,284	$52,291,895	$54,287,874	$54,319,262	$77,269,532

Per contra: Charges on the following accounts:

	1864.	1865.	1866.	1867.	1868.
Railroad and equipm't.	$42,583,058	$47,409,404	$48,885,739	$49,247,770	$56,486,606
Hawley branch	283,295	236,947	236,947	236,947	236,947
Lake Erie steamer	....	....	....	....	300,000
Long Dock	834,475	215,520	280,488	303,087	424,745
Buff., Bradford & P. RR.	76,793	40,358	60,073	72,578	1,272,177
U. S. War Dept.	464,785	50[illegible],576	....	....	....
Niagara Bridge stock.	4,140	4,140	4,140	4,140	4,140
22d street property	....	....	32,425	84,340	38,109
Cash and cash items	563,217	905,150	994,151	1,110,524	12,502,898
Bills and accounts	675,450	617,519	1,187,416	1,027,310	3,066,690
Materials	2,234,000	2,176,823	1,759,[illegible]5	1,642,494	2,063,717
Fuel	213,853	880,326	847,010	639,972	863,500
Unadjusted accounts	162 100	303,131	....	....	....
Ramapo Wh'l F'dry st'k	....	....	....	....	10,000
Total	$48,045,284	$53,291,893	$54,287,872	$54,319,262	$77,269,532

The common stock, including converted scrip, amounted in March, 1869, to $57,765,300. This is the sworn statement of Jay Gould, Esq., President of the company, and includes the whole series of issues, less amounts recalled and canceled. The disposition of the increase ($11,463,090) in a few months is one of the most extraordinary transactions ever witnessed in financial circles, and forbids the thought of the Company's stock receiving ever an ultimate dividend. The fluctuations of the Company's stocks (lowest and highest prices) at New York, monthly for five years are shown in the following tabulation :

COMMON STOCK.

Months.	1863-4.	1864-5.	1865-6.	1866-7.	1867-8.
October	106¾@110⅞	86 @98	85⅛@93¾	81¼@95	63⅝@75⅞
November	99⅛@110⅞	93⅛@104¼	96⅝@97	69⅛@86⅛	90¼@71⅞
December	104¼@104	82 @96⅞	91⅝@97	65¼@74⅛	71 @74⅞
January	106⅞@113	66⅛@86⅞	80⅞@97⅞	55 @68	71¼@78⅞
February	107 @124⅝	68¼@78	76 @85⅝	55⅛@61	67⅝@78⅞
March	113 @126⅜	44¼@73⅝	75¼@87	52⅞@61¼	65⅛@81⅞
April	107 @126	50⅞@85	72⅛@79⅛	53 @64	65⅝@75
May	107 @117⅜	69⅛@84⅞	57⅛@75⅞	58⅝@65⅝	68⅜@72⅞
June	110⅜@118	70⅞@79⅞	67⅞@65⅝	59⅝@67⅛	68 @71⅞
July	108⅛@116	77⅛@98⅛	62 @78	66⅝@77⅛	67⅝@71
August	108½@113⅜	76⅛@92⅛	67 @74⅞	66⅞@76⅝	45⅛@68⅞
September	93 @109	86⅝@91⅛	69⅝@80⅞	59 @71½	46 @52⅞
Year	93 @126⅜	44¼@104¼	57⅛@97⅞	52⅞@95	45⅛@81⅞

PREFERRED STOCK,

Months.	1863-4.	1864-5.	1865-6.	1866-7.	1868.
October	104 @105⅝	100 @104	82 @86	79⅛@87	75 @80
November	99¾@105	100 @106⅛	82 @84⅛	80⅛@86⅛	77 @80
December	100⅛@103⅝	99¼@105	84¼@86	82 @85	73 @81
January	100⅞@104¼	90 @101	81 @87⅛	69 @86	72 @83
February	101 @109	90 @ 93	80 @82¼	70 @75	75 @83
March	105⅛@115⅝	70 @ 90	80 @83⅛	69 @73	74 @80⅞
April	105⅛@116	77 @ 92	74¼@80⅛	68⅛@72	69 @75
May	106 @109	82 @ 90	74 @80	72 @73	74 @77
June	108⅛@113	81¼@ 85	72 @76	73 @75¼	75 @76
July	107 @115⅛	85 @ 88⅛	72⅛@78	75⅛@78	74⅜@75⅞
August	108⅜@112⅜	80 @ 84⅛	72¾@79	76 @79	68 @73⅞
September	101 @109	82 @ 86	75 @82	74 @76⅛	68 @70⅞
Year	99¾@116	70 @106⅛	72 @86⅛	68⅛@87	68 @83

The prices of the common stock were—in October 38@49½, in November 35½@54, in December 37½@41, in January 38@40½, in February 38@38; and of the preferred stock—in October 65@71, in November 59@65, in December 60@65, in January 61½@64.

RAILROAD EARNINGS FOR MARCH.

The spring opens with unusual indications of prosperity to our railroad interest. Large crops throughout the West, and the growing development of the country through which the roads pass, have resulted in decidedly increased earnings, the total for March of the companies we give below being $1,196,171 in excess of the same month last year, and $1,130,728 in excess of March, 1867. This improvement in the

earnings, together with the anticipation of increased trade on the opening of the Pacific Railroad are the basis for the upward movement in prices which has developed so strongly of late. What effect the lower quotations for Breadstuffs will have on the traffic receipts cannot of course be determined. It is claimed, however, by some who are usually good judges, that the earnings are likely to show a less percentage of increase during the remainder of the year, farmers, with the present high freights and low prices, finding it more profitable to feed out their grain and send it to market in beef and pork. This feeling may increase, and of necessity result in lower freights, which would again affect unfavorably the earnings. But, on the other hand, the West is not in the same condition it was a few years since. Houses and even villages have sprung up all along the routes of these roads, so that the local business has multiplied many times and is destined to show a rapid development in the future. Besides, after a time we may rightly expect a large movement from the Pacific, which will impart more or less activity to all connecting lines. Some anticipate this as the immediate result of the opening of the Pacific road; we do not, however. It will take time to change the channels of trade. But the end is by no means uncertain. A large share of the Eastern trade and travel will pass across our continent at no very distant day, and all our roads leading to the West must be benefited by it. The earnings for March and the total of each road since January 1 are as follows:

RAILROAD EARNINGS FOR MARCH.

	1869.	1868.	Inc.	Dec.
*Chicago & Alton	$393,648	$267,094	$126,554	....
Chicago & Northwestern	1,149,258	850,192	299,066	...
†Chicago, Rock Island & Pacific	398,701	262,809	135,900	....
‡Illinois Central	711,558	444,443	267,115	....
Marietta & Cincinnati	103,558	98,482	5,076	....
Michigan Central	386,527	326,880	59,647	....
Michigan Southern	453,481	381,497	71,984	....
Milwaukee & St. Paul	420,774	333,281	87,493	....
Ohio & Mississippi	22 ,459	265,905	....	$44,446
Pittsburg, Ft. Wayne & Chicago	745,503	689,317	56,186	....
St. Louis, Alton & Terre Haute	175,950	149,165	26,785	....
Toledo, Wabash & Western	352,704	263,259	89,445	....
Western Union	54,557	39,191	15,366	....
Total	$5,567,677	4,371,506	1,196,071	....

EARNINGS FROM JANUARY 1 TO APRIL 1.

	1869.	1868.	Inc.	Dec.
Chicago & Alton	$1,038,237	$818,349	$219,888	....
Chicago & Northwestern	2,847,730	2,382,560	465,170	....
Chicago, Rock Island & Pacific	1,040,209	882,482	157,727	....
Illinois Central	1,849,168	1,568,050	281,118	....
Marietta & Cincinnati	293,741	272,514	21,227	....
Michigan Central	1,091,282	971,885	116,397	....
Michigan Southern	1,196,143	1,081,853	114,290	....
Milwaukee & St. Paul	1,205,137	1,042,652	162,485	....
Ohio & Mississippi	617,905	709,229	....	$91,324
Pitts. Fort Wayne & Chicago	1,957,221	1,799,138	158,083	....
St. Louis, Alton & Terre Haute	436,389	410,151	26,238	...
Toledo, Wabash & Western	902,033	807,764	94,269	....
Western Union	138,747	126,314	12,433	....
Total	$14,613,942	12,875,941	1,738,001	...

*431 miles in 1869 against 280 in 1868.

†Number of miles open continually increasing. About 100 miles more were worked in March 1869 than in the same month of 1868.

‡Including leased lines.

The above table shows that the improvement during the month has been on every road in the list, with but one exception. One circumstance should, however, be remembered, and that is, that the weather during March this season has been much more favorable for railroad traffic than the correspond ing month of 1868.

MICHIGAN SOUTHERN AND NORTHERN INDIANA RAILROAD

The reports of this Company in fullness and consequently in usefulness are not exceeded by those of any other Company in the United States, and what gives additional interest to them is the promptness of their publication. The Company's fiscal year ends with February, and an elaborate statement of the year's business is furnished early in April, showing that the managers of the property are well disposed toward their clients and desirous that their affairs should not remain in doubt or be misunderstood. The comparative returns which we now are able to give will therefore be of the highest value to stockholders. They show a very great increase in the yearly earnings, and the final balances are very satisfactory.

The lines belonging to the M. S. & N. I. Company are as follows:

	Miles.
Toledo, via White Pigeon to Chicago	243.73
Toledo, via Air Line to E khart	133 20
Toledo, via Monroe to Detroit	64.79
Adrian to Monroe Junction	36 60
Adrian to J ckson	46.00
White Pigeon to Constantine	4.18

In several instances these amounts are duplicated, and to a small extent leased or rented: again, the Constantine branch is leased to the St. Joseph Valley Company, but the total length of line owned by the M.S. & N. I. Company is 516.56 miles. The Company also owned conjointly with the Rock Island Company 2.42 miles of road, viz: from Junction into Chicago. The length of side track on the Company's lines is 70.57 miles. The trains on the Detroit line pass over the Detroit and Milwaukee Railroad from the Junction, 3.21 miles into Detroit.

The equipment of the roads is well kept up, each year showing a material increase in the number of cars. The substitution of new and more powerful engines has also given increased capacity to the road, making the means of transportation fully equal to the demands of the business at present offering. The favorable geographical position of the several lines and their growing business, however, will at no distant period necessitate the laying of a second track and a corresponding increase in rolling stock. The number of engines and cars on the lines

at the commencement of 1865 and the close of 1865–69 inclusive, is shown in the following statement:

	Mar. 1. 1864.	Close of February 1865.	1866.	1867.	1868.	1869.
Locomotives	86	97	98	101	99	..
Passenger cars—1st class	59	61	62	64	65	73
2d class	8	9	10	10	9	8
Emigrant	6	4	4	5	44	13
Baggage, mail &c	22	22	22	23	30	22
Military, drovers, &c	15	27	24	23	26	26
Freight—caboose	..	..	25	23	22	27
Stock	96	170	185	214	233	233
Box	605	906	853	856	965	965
Flat	231	259	290	287	320	321

The Company also own a full assortment of wrecking, tool and gravel cars, &c. Of the passenger cars in 1869, twenty were 12-wheel and eleven sleeping; and of the latter, three were 16-wheel, six 12-wheel cars. The freight cars, with the exception of seven old 8-ton cars, are of 10-ton capacity. It is no exaggeration to state that the car capacity of the road has doubled in the last five years.

The "Doings in Transportation," as illustrated by the mileage of trains, passengers and freight, and the earnings from, and expenses on account of, operations, are shown in the following table for the years ending with February, 1865–1869, both inclusive:

MILES RUN BY ENGINES WITH TRAINS.

	1865.	1866.	1867.	1868.	1869.
Passenger	785,286	838,788	863,897	863,077	982,556
Freight	1,151,612	1,131,562	1,284,444	1,308,165	1,466,670
Other	250,226	211,265	237,852	216,560	217,965
Total	2,187,124	2,181,615	2,386,193	2,387,389	2,667,191

NUMBER OF PASSENGERS AND MILES OF TRAVEL.

	1865.	1866.	1867.	1868.	1869.
Westward	430,566	477,751	443,8[illegible]9	449,190	481,703
Eastward	400,799	437,724	482,809	402,998	440,848
Through	135,197	142,699	117,040	128,110	14[illegible],967
Local	696,168	772,776	729,658	724,078	781,584
Total	831,365	915,475	846,698	852,188	922,551
Through travel (100 miles)	332,602	351,055	287,508	316,150	346,593
Local travel (100 miles)	282,[illegible]23	343,729	287,731	287,775	305,066
Total travel (100 miles)	614,725	694,784	575,239	603,926	651,659

TONS OF FREIGHT AND MILES OF TRANSPORTATION.

	1865.	1866.	1867.	1868.	1869.
Through—westward	68,038	73,508	106,766	91,653	122,266
Through—eastward	126,631	137,636	197,706	194,800	220,133
Total through	194,669	211,144	304,472	286,453	342,399
Way—westward	103,891	120,334	150,967	177,531	200,489
Way—eastward	228,941	237,862	244,376	271,454	303,695
Total way	332,832	358,196	395,313	448,985	5[illegible]4,184
Through and way	527,501	569,340	699,7[illegible]5	735,438	846,583
Tons carried 100 miles	778,825	830,449	1,07[illegible],854	1,101,636	1,269,320

EARNINGS FROM, AND EXPENSES OF, OPERATIONS.

Passenger	$1,875,061	$2,021,247	$1,749,337	$1,689,107	$1,723,856
Freight	2,242,772	2,455,403	2,681,900	2,725,250	3,024,620
Other	171,432	209,795	241,956	332,862	275,632
Total earnings	$4,289,465	$4,686,445	$4,673,193	$4,747,219	$5,024,108
Operating expenses	2,408,352	2,749,656	3,063,706	2,866,387	2,978,078
Net revenue	$1,881,113	$1,936,788	$1,609,487	$1,880,832	$2,046,030
Earnings per passenger per mile	2.75	2.86	3.02	2.80	2.64
Earnings per ton per mile	2.83	2.90	2.50	2.43	2.31
Expenses to earnings	56.14	58.61	65.56	60.38	59.25

The general results of the years 1868–9, as shown in the income account, were as follows:

Net earnings	$2,046,029 70	Interest on bonds	$616,699 28
Cash, March 1, 1868	489,976 85	Rent Erie and Kal. RR	30,000 00
Capital stock, increase	1,297,003 75	Taxes, State & National	161,573 16
Decrease of supplies, &c.	206,894 18	Contribution to sk'g fund	162,000 00
162 S. F. bonds, used for sinking fund	162,000 00	Interest and exchange.	3,815 59
		Div. 10 p. c. on guar. stock	58,350 00
		" 8 p. c. on com. stock	967,755 79
		Construction	403,356 53
		Equipment.	192,790 08
		D. M. & Toledo stock	400 00
		Prem. on conv. of guar stc'k	15,810 00
		Back dividends.	1,290 00
		Cin., Peru & Chicago b'ds extinguished in stock	125,000 00
		Old claims paid in stock	17,983 97
		Stock div. 10 p. c. & tax	1,077,921 05
		Cash, March 1, 1869	372,859 03
Total	$4,201,904 48	Total	$4,201,904 48

The financial condition of the company as given on the balance sheets of March 1, 1865–69, inclusive, is shown in the following abstract:

	1865.	1866.	1867.	1868.	1869.
	$	$	$	$	$
Stock—common	7,536,600	9,381,800	9,818,500	10,059,400	11,592,100
" guaranteed	2,183,600	1,089,700	787,700	584,800	533,500
Funded debt	8,564,115	8,537,175	9,135,840	9,038,640	8,876,580
Bills payable	35,000	235,000	34,133	......	.....
Due for guaranteed stock	250,078		......	......	......
Dividends and coupons	43,326	26,864	218,117	33,071	38,816
Operating accounts	381,498	302,107	484,701	234,406	208,334
Profit and loss	......	......	....	810,279	863,731
Total	18,994,217	19,672,646	20,473,971	20,762,597	22,113,053

Against which amounts are charged the following, viz:

Railroad	13,619,185	13,619,185	14,333,563	14,654,881	16,136,159
Equipment	1,644,259	1,644,259	2,669,517	2,865,817	3,058,607
D. M. & Toledo RR Co	1,291,968	1,291,968	1,291,968	1,291,968	1,291,968
D. M. & Toledo stock	406,800	409,500	409,500	411,700	412,100
Permanent property	16,962,212	16,964,912	18,794,548	19,224,366	20,898,834
Fuel and material	670,373	547,025	656,528	735,436	484,027
Available assets	402,036	200,259	526,767	799,793	730,192
Nominal assets	72,656	158,000	154,000	3,000	....
Profit and loss	886,940	1,802,447	433,148	......	......
Total	18,994,217	19,672,646	20,473,971	20,762,597	22,113,053

The funded debt, as above comprises the following issues:

	1865.	1866.	1867.	1868.	1869.
	$	$	$	$	$
M. S. 7s, Nov. '60	1,000	......	......	......	......
N. J. 7s, Aug., '61	6,000	4,000	4,000	......	......
E. & K. 7s, Mar., '62	38,000	37,000	......	......	......
J. Br. 7s, Aug., '63	77,000	......	......	......	......
Goshen 7s, Aug., '68	682,000	651,000	651,000	637,000	3,000
D. M. & Toledo 7s, Feb., '76	734,000	734,000	924,000	924,000	924,000
1st gen. mort. 7s, May, '85	5,706,000	5,872,000	6,022,000	6,094,000	6,728,000
2d gen. mort. 7s, Nov. '77	2,194,500	2,253,500	2,693,000	2,693,000	2,693,000
N. I. 7s, 1863	7,000	1,000	......	......	......
Scrip	2,615	1,675	840	840	580
Total	9,488,115	9,554,175	10,294,840	10,343,640	10,348,500

The commissioners of the sinking fund for the 1st general mortgage held March 1, 1869, said bonds to the amount of $1,472,000. The sum of bonds shown in balance sheet is less by this amount. The prices of the common stock of this company have ranged from 7 in 1860 to 113 in 1863. The monthly range of prices in the New York Market during the last five years is shown in the following tabulation:

	1864.	1865.	1866.	1867.	1868.
January	84¼@ 90	61 @ 75	65¼@ 75⅛	68 @ 84⅛	85 @ 89¾
February	88⅜@ 99	63⅛@ 72	66⅝@ 71¾	70⅛@ 75⅝	88⅛@ 94
March	98 @118⅝	49¾@ 67	69¼@ 84⅛	70⅝@ 72¼	87⅜@ 92⅜
April	84⅛@118¼	50⅛@ 71⅛	78 @101	64⅝@ 74¼	85 @ 91¼
May	85⅛@100¼	55 @ 72⅝	77 @ 81⅛	65⅛@ 70⅛	82¼@ 91⅛
June	93¼@101	57 @ 65⅝	78¼@ 80⅜	68⅛@ 78⅛	89¼@ 93⅜
July	80⅜@ 94¼	62 @ 68	78⅜@ 84⅜	77⅜@ 84¼	88¾@ 93
August	82¼@ 92⅜	60¼@ 67¼	84 @ 86⅛	77½@ 84⅜	82 @ 88⅛
September	71 @ 85	65⅜@ 70⅝	82⅛@ 87	75¼@ 83⅞	83 @ 86¼
October	57 @ 71¼	68 @ 84⅛	87¼@ 93	77¼@ 84¾	83¼@ 91
November	68¼@ 77⅛	71¼@ 82	78⅜@ 94	76⅝@ 82	80 @ 90
December	68⅛@ 74⅝	73¼@ 76⅛	79 @ 83	80⅝@ 85⅜	84¼@ 89¼
Year	57 @118¾	49¾@ 84⅛	65¼@101	64⅝@ 85¾	80 @ 94

The guaranteed stock, which sold at 17 in 1860, attained to 165 in 1865. In the latter year, however, it carried accumulated interest. In 1866 only one sale of this stock was made at New York, and that at 140. No sales appear on the official lists for 1867 or 1868.

RAILROADS OF PENNSYLVANIA.

The table on the following page furnishes a complete abstract of the principal items of interest relating to the railroads of Pennsylvania, contained in the Report of the Auditor of that State, lately published. The reports are made for the year ending October 31, 1868.

Name of Company.	Cost of road and equipment.	Main line (laid).. Miles.	Main line in the State... Miles.	Capital paid in.	Floating and Funded Debt.	Passengers carried.	Total tonnage	Expenses.	Gross Receipts.	Dividends in three years. '66.	'67.	'68.
Atlantic and Great Western	....	387	93	....	....	666,824	1,746,527	$2,988,781 95	$4,846,047 99	..	..	..
Bald Eagle Valley	$1,000,000 00	51	51	$550,000 00	$482,000 00	.. ...	.....	....	....	6	6	6
Barclay, (leased to Towanda Coal Co.)	......	16	16	1,000,000 00	134,500 00	8,950	52,868	51,108 89	8,047 92	..	..	
Bellefonte and Snow Shoe	442,058 87	21	21	600,000 00	99,000 00	24,846	77,815	62,966 44	96,646 92	2	3	
Buffalo, Corry and Pittsburg	1,431,465 73	42	7	428,717 50	1,076,234 17	69,088	94,196	172,073 84	223,029 98	..	......	
Buffalo, Bradford and Pittsburg	2,866,000 00	26	16	2,986,000 00	580,000 00	......		....	....	.....	.....	..
Buffalo and Erie	6,718,800 71	88	19	6,000,000 00	3,700,000 00	450,949	762,914	1,676,164 79	2,222,804 73	..	5	9
Catasauqua and Fogelsville	758,322 17	20	20	402,875 00	271,282 61	10,294	234,975	79,887 33	125,059 89	6	6	6
Catawissa, (leased to Western Central R. R. & Atlantic & G. Western RR. co's	3,744,000 00	65	65	3,359,500 00	371,000 00	.....	356,554	310,125 49	540,549 95	.	3½	6
Chester Valley	....	21	21	871,900 00	920,000 00	......	.....	....	....	..	....	
Chestnut Hill	120,650 00	4	4	120,650 00	.....	268,342	....	6,630 10	19,625 69	10	10	9
Cleveland and Pittsburg	10,317,692 18	107	16	5,958,625 00	4,197,000 00	582,164	979,862	1,372,115 39	2,306,236 88	4	5	4
Columbia and Port Deposit	150,000 00	4	4	203,172 11	83,000 00	......		.. ....				
Connecting	2,178,300 00	6	6	100,000 00	2,078,300 00	.....	.....	....	....	......	......	
Colebrookdale, (in process of construc'n)	54,601 54	..	....	11,105 00	60,200 78		.....	....	....	......	......	
Cumberland Valley	1,468,237 05	74	74	1,316,900 00	352,400 00	281,124	244,480	392,417 26	570,787 42	8	8	8
Delaware and Hudson Canal & Railroad.	2,387,577 81	32	32	....	......	66,957	1,650,147	583,273 28	80,449 78	.	....	
Delaware Lackawanna and Western	13,988,875 97	113	113	14,100,600 00	4,691,161 95	191,888	2,128,512	1,948,459 15	3,743,107 00	20	10	10
East Brandywine and Waynesburg	259,000 00	17	17	89,800 00	170,000 00	......	. .	... .	......	....	.....	..
East Mahanoy	391,603 93	7	7	392,550 00	....		.....			6	6	6
East Pennsylvania	1,912,850 60	36	36	654,600 00	506,900 00	293,720	481,278	358,851 91	565,168 28	......	......	
Elmira and Williamsport, (leased to Northern Central Railway Company)	2,620,000 00	78	70	1,000,000 00	1,620,000 00	96 421	271,649	433,235 86	528,636 39	7-5	7-5	7-5
Erie	56,486,605 97	459	42	46,302,210 00	28,242,535 81	2,194,348	3,908,248	11,148,092 39	14,376,872 27	......	......	.
Erie and Pittsburg	2,900,571 91	81	81	967,900 00	2,521,235 32	147,041	434,005	433,469 96	686,915 95	......	......	
Enterprise	287,479 41	6	6	276,700 00	....	......	. ...	....	....	3.60	3.60	3.75
Fayette County	130,000 00	12	12	130,000 00	....	.....	.....	....	... ...	......	......	
Hanover Branch	253,815 92	12	12	116,850 00	....	34,841	85,647	44,331 64	78,489 87	5	10	10
Harrisburg, Portsmouth, &c	...	...	...	1,182,550 00	700,000 00					7	7	7
Hempfield	1,657,798 94	76	17	1,809,565 18	600,000 00	19,363	13,040	51,8 6 58	46,980 86	......	......	
Huntingdon and Broad Top Mountain	2,201,675 24	44	44	689,380 03	1,810,044 94	27,812	296,805	148,336 19	219,211 02	......	......	
Ironton	268,000 00	10	10	400,000 00	150,000 00	......	129,015	13,567 57	37,341 87	......	......	
Jamestown and Franklin	1,643,127 69	43	43	602,827 50	1,089,641 71	..		....	......	......	......	
Junction	892,751 43	4	4	180,250 00	800,000 00	179,720	1,008,370	34,547 51	79,032 70	......	......	
Lackawanna and Bloomsburg	3,753,744 00	80	80	1,335,000 00	2,316,709 00	221,641	1,058,672	545,850 87	842,567 15	......	......	
Lake Shore	4,868,427 13	95	25	8,750,000 00	2,500,000 00	417,290	1,038,990	1,437,906 49	2,467,638 09	10	10	7
Lawrence, (operated by Pittsburg, Fort Wayne and Chicago Railroad Co	399,409 66	17	9	150,400 00	387,000 00	134,750	158,725	46,116 37	103,162 95	......	......	..
Lehigh and Lackawanna, (operated by Lehigh coal and navigation company)	....	15	15	375,100 00	320,000 00	.....				.. ..	......	
Lehigh and Susquehanna	13,570,597 27	105	105	....	....	202,584	1,028,694	858,264 87	1,027,418 11	......	......	
Lehigh Valley	17,541,8[illegible]9 0[illegible]	101	75	16,038,150 00	3,998,563 25	688,584	4,054,037	2,509,389 12	4,220,535 57	20	10	10

Little Saw Mill Run	91,011 44	3	3	83,745 95	45,061 72		123,642	28,703 05	45,250 13	..	7	7
Littlestown	76,000 00	7	7	46,225 00		5,400	13,179	6,107 25	7,671 82			
Little Schuylkill navigation, coal and	1,466,283 14	28	28	2,646,100 00	807,500 00					3	..	3
Lorberry Creek	82,050 00	5	5	52,050 00	30,000 00							
Lyken Valley	600,000 00	21	21	600,000 00					63,379 68	9	9	10
Mahanoy & Broad Mountain, (equipped & operated by Phila. & Reading R co.)	2,083,243 68	12	12	1,874,465 00	430,000 00				116,239 34			
Mifflin and Centre County	252,491 21	12	12	62,212 50	155,000 00							
Mill Creek and Mine Hill				323,375 00					302,048 01	10	10	10
Mine Hill and Schuylkill Haven, leased to Phila. and Reading Railroad Co.)		135	135	3,775,600 00						8	8	8
Mount Carbon, (equipped and worked by Philadelphia and Reading Railroad Co)	203,259 58	7	7	100,000 00			184,448		14 0'0 61	6	6	6
Mount Carbon and Port Carbon				282,350 00						12	12	12
Middle Creek, (partly graded)	100,000 00			100,000 00								
Nesquehoning, (in process of constr'ion)	42,213 21			63,990 00								
New Castle and Beaver Valley	425,007 29	14	14	266,666 67	157,500 00					11½	12	12
Northern Central	12,011,761 18	138	102	4,798,930 00	6,424,455 56	687,997	1,506,745	1,893,765 58	2,907,351 82	8	8	8
North Lebanon	339,020 76	8	8	300,000 00			241,532	25,769 14	77,830 90	10	10	16
North Pennsylvania	6,669,991 07		55	3,150,000 00	3,463,839 00	746,911	476,334	577,462 88	1,015,394 29	..	5	5
Oil Creek and Allegheny River	7,549,786 93	96	96	4,259,450 00	3,170,000 00	247,507	299,015	521,891 27	1,197,090 26	..	..	5
Oil Creek	2,534,714 23	37	37	753,150 00	580,000 00	35,607	70,716	156,775 65	263,705 16	.	25	15
Oil City and Pit-Hole branch		7	7			8,395		21,601 22	26,671 51	9	11	13
Pennsylvania	29,761,532 65	354	354	27,040,762 50	14,965,568 00	3,747,178	4.7 2,015	11,860,983 88	17,233,497 31	20	20	20
" Coal Company	2,000,000 00	47	47	3,200,000 00	972,500 00		1,055,005					
Perkiomen, (leased to Phila & R. RR co)	417,332 82	10	10	37,305 00	449,060 87							
Philadelphia and Baltimore Central	1,336 551 31	90	36	218,000 00	1,012,500 00	130,870	56.025	136.321 74	155,746 03			
" and Erie	19,350,397 78	287	287	6,004,200 00	13,328,643 00	629,320	1,090,845	2,887 425 01	2,804,250 36	10	10	10
" and Reading	27,636,100 50	147	147	26,301,351 74	7,030,225 17	1,194,575	5,143,177	4,638,704 25	8,791,937 05	9	10	10
" Germantown & Norristown	1,491,459 03	17	17	1,587,700 00	63,950 00	2,376 814	468,664	320,153 28	642,639 49	15	10	10
" and Trenton	1,379,164 17	26	26	1,259,120 00		953,722	312,714	663,651 23	995,196 85	5	9	8
" Wilmington & Baltimore	11,224,605 95	95	18	9,084,300 00	2,437,500 00	1,108,372	281,418	1,488,006 05	2,398,897 52			
Pittsburg and Connellsville	2,590,070 58	58	58	1,793,926 43	5,575,584 55	422,739	398,502	311,702 25	508.625 92	10	10	10
Pittsburg, Fort Wayne and Chicago	23,247,488 52	468	50	11.500.000 00	12,702,986 76	1,376.998	1,459,230	4,793,067 12	7,953,300 58			
Reading and Columbia	2,134.616 59	40	40	505.848 09	1,919,749 47	146 464	157,192	143,455 46	178,447 15			
Schuylkill and Susquehanna	1,299,845 54	54	54	1,269,150 00	245,577 87	65,049	425,279	161,278 55	167,517 63	5	5	5
" Valley Navigation and R.R.				576,050 00						4½	5½	6
Shamokin Valley and Pottsville		28	28	869,450 00	700,000 00	41,239	573,460	194,252 16	277,763 49	6	6	6
Southwark, (leased to Ph , W. & B. R co)		2	2	58,468 00						..		8
Summit Branch	988,902 37	21	21	2,500 000 00	550,823 97	6,673	436 009	79,929 70	237,928 48	25	8	..
Tioga	1,118,428 62	30	30	576,400 00	250,500 00	73,298	624.287	164,037 35	337,060 36			
Tyrone and Clearfield		37	37	510,000 00								
West Chester (leased to W.C. & Ph. R co)		9	9	165,000 00								
West Chester and Philadelphia	1,626,666 96	26	26	684,035 83	1,070,799 00	658,636	118,417	186,480 95	350,131 01			
Western Pennsylvania	3,049,056 69	42	42	1,022,450 00	2,124,381 30							
Wilmington and Reading				413,290 00	68,200 00							
Wrightsville, York & Gettysburg (equipped by Northern Central Railway Co.)	393,534 79	13	13	317,050 00	76,484 79	34,873	68,080	36,370 31	43,788 58			
Wyoming Gravity				18,760 00								
	324,876,376 60	4,921	3,189	239,915,968 98	147,767,040 52	22,178,708	42,754,036	59,068,155 22	89,074,409 01			

PUBLIC DEBT OF THE UNITED STATES.

Abstract statement, as appears from the books and Treasurer returns in the Treasury Department, on the 1st of March, and 1st of April, 1869:

	March 1.	April 1.	Increase.	Decrease.
DEBT BEARING COIN INTEREST.				
5 per cent. bonds.	$221,589,300 00	$221,589,300 00	$...... ..	$. ......
6 " 1881	283,677,400 00	283,677,400 00	....	....
6 " (5-20's)	1,602,587,250 00	1,602,609,950 00	22,600 00	....
Total	2,107,854,050 00	2,107,876,650 00	22,600 00	....
DEBT BEARING CURRENCY INTEREST.				
6 per ct. (RR.) bonds	$53,937,000 00	$56,852,820 00	$2,915,820 00	$........
3 p. cent. certificates	57,140,000 00	54,605,000 00	....	2,535,000 00
Navy Pen. F'd 3 p.c.	14,000,000 00	14,000,000 00	....	....
Total	125,077,000 00	125,457,320 00	380,320 00	$........
MATURED DEBT NOT PRESENTED FOR PAYMENT.				
7-30 n. due Aug. 15, '67, J'e & J'y 15, '68	$1,816,350 00	$1,633,100 00	$..........	$183,250 00
6 p.c. comp. int. notes mat'd June 10, J'ly 15, Aug. 15 Oct. 15, Dec. 15, 1867, May 15, Aug. 1, Sept. 1 & 15, and Oct. 1 & 16, 1868	3,422,460 00	3,220,690 00	....	201,770 00
B'ds of Texas ind'ty	256,000 00	252,000 00	....	4,000 00
Treasury notes (old)	148,411 64	148,011 64	....	400 00
B'ds of Apr. 15, 1842, Jan. 28, 1847 & Mar. 31, 1848	202,800 00	188,900 00	....	13,900 00
Treas. n s of Ma. 3, 63	375,432 00	360,192 00	....	15,240 00
Temporary loan	189,010 00	188,510 00	....	500 00
Certifi. of indebt'ess	12,000 00	12,000 00	....	....
Total	6,422,463 64	6,003,403 64	$..........	$419,060 00
DEBT BEARING NO INTEREST.				
United States notes	$356,021,073 00	$356,065,155 00	$44,082 00	$........
Fractional currency	36,781,547 50	36,675,830 00	....	105,717 50
Gold certi. of deposit	28,775,560 00	21,672,500 00	....	7,103,060 00
Total	421,578,180 50	414,413,455 00	....	$7,164,695 50
RECAPITULATION.				
	$	$	$	$
Bearing coin interest	2,107,854,050 00	2,107,876,650 00	22,600 00	....
Bearing cur'y interest	125,077,000 00	125,457,320 00	380,320 00	....
Matured debt	6,422,463 64	6,003,403 64	....	419,060 00
Bearing no interest	421,578,180 50	414,413,485 00	....	7,164,695 50
Aggregate	2,660,931,694 14	2,653,750,858 64	....	7,180,835 50
Coin & cur. in Treas	115,594,789 76	111,005,993 54	....	4,588,796 22
Debt less coin and currency	2,545,336,904 38	2,542,744,855 10	....	2,592,049 28

The following statement shows the amount of coin and currency separately at the dates in the foregoing table:

COIN AND CURRENCY IN TREASURY.

Coin	$98,741,260 72	$104,203,365 12	5,462,104 40	$..........
Currency	16,853,529 04	6,802,628 42	....	10,050,900 62
Total coin & cur'cy	115,594,789 76	111,005,993 54	....	4,588,796 22

The annual interest payable on the debt, as existing March 1 and April 1, 1869, compares as follows.

ANNUAL INTEREST PAYABLE ON PUBLIC DEBT.

	March 1.	April 1.	Increase.	Decrease
Coin—5 per cents	$11,079,465 00	$11,079,465 00	$........	$........
" 6 " 1881	17,020,644 00	17,020,644 00	....	....
" 6 " (5-20's)	96,155,241 00	96,156,597 00	1,356 00	....
Total coin interest	$124,255,350 00	$124,256,706 00	$1,356 00	....
Currency—6 per cents	$3,236,220 00	$3,351,139 20	114,919 20	....
" 3 "	2,134,200 00	2,058,150 00	....	76,050 00
Total currency inter't	$5,370,420 00	$5,409,289 20	$38,869 20	$

QUICKSILVER MINING COMPANY.

The following report of the operations of the company for the year 1868, shows that the production of quicksilver from the New Almaden mines, during the year 1868, was 25,628 flasks of 76½ lbs. each, being a monthly average of 2,135 flasks.

The production for each of the months was as follows:

January	3,000	August	2,000
February	3,001	September	1,600
March	2,501	October	1,600
April	2,000	November	2,262
May	2,000	December	1,664
June	2,000		
July	2,000	Total Flask	25,628

The operations of the company for the disposal of quicksilver during the first three months of the year, were carried on under the Barron contract of 1866. This contract expired by limitation on the 31st day of March last, at which time the company had on hand a surplus of 7,416 flasks of quicksilver. Mr. Barron declined to renew this, or to make any contract for the direct purchase of the quicksilver from the company; and it became evident to the Directors that either a combination arrangement must be made with other producers of quicksilver in California, or a competition for the sale of quicksilver in the home and foreign markets would ensue, which could not fail to lower the price of the article and seriously injure, if not entirely destroy, all profits incident to its mining and manufacture.

After considerable negotiation, an arrangement for two years, from April 1, 1868, was entered into between the several quicksilver mining companies and Messrs. Barron & Co., of San Francisco, which was duly ratified by the Board of Directors.

This agreement was made between the following parties:—The Quicksilver Mining Company of New York, of the first part; The Redington Quicksilver Mining Company of California, of the second part; The New Idria Quicksilver Mining Company of California, of the third part; and Messrs. Barron & Co., of San Francisco, of the fourth part. It recited that the parties thereto had united for the purpose of regulating, through the agency of the parties of the fourth part, the supply to the markets of the world, of quicksilver, the product of the mines of the parties of the first, second and third parts, for the period of two years, from and after the first day of April, 1868.

This agreement specifies and limits the production of the several mining companies, as near as may be, in equal monthly amounts, to the following quantities:

The Quicksilver Mining Company	24,000	flasks annually.
The Redington Quicksilver Mining Company	10,000	" "
The New Idria Quicksilver Mining Company	10,000	" "
Making an aggregate of	44,000	" "

—with a provision that, in case either party shall fail to furnish its proportion of the total quantity allotted, the others may proportionately make up any deficiency

It also made provision for the purchase of all the quicksilver then on hand in California and Nevada, owned by the several parties to the agreement.

It also provides for the purchase and sale by Messrs. Barron & Co., for the use and benefit of the combination, of the products of any other quicksilver mines in California or elsewhere. And under this section arrangements have been made for the product of the Santa Clara Mining Association, the San Juan Bautista Mining Company, and the Phœnix Quicksilver Company.

At the close of the contract the quicksilver on hand in California is to be divided between the companies, in the proportions in which the same shall have been delivered; and the stock in other markets shall be closed out and accounted for by the agents, in accordance with the contract.

All advances, payments penalties and accounts are to be made and kept upon a gold coin basis, and the books of account of the said agency shall be always open to the inspection and examination of the other parties to the agreement. Any differences arising between the parties shall be determined by arbitration.

The proceeds of sales of quicksilver for the year were as follows:

Proceeds of 10,435 flasks, sold prior to April 1st, under the Barren contract, No. 1, at $30	$313,050 00
Proceeds of 5,056 flasks, sold from April 1st to December 31st, under Combination contract	182,242 71
Quicksilver Mining Company's proportion of profit in purchase and sale, by Combination of 2,764 flasks	13,924 22
Total	$509,216 93

The financial condition of the company, as it existed on the 31st day of December, 1868, may be thus briefly stated:

LIABILITIES.

Advances upon Quicksilver, bearing interest at 6 per cent, 19,486 flasks, $23 per flask	$448,178 00
Call loans and bills payable in California, less cash and bills receivable, bearing interest at one per cent monthly	168,116 79
Bills payable in New York, interest at seven per cent, currency	25,000 00

ASSETS.

19,486 flasks of Quicksilver in agents hands, at present cash value, $33 00	643,038 00
Working capital consisting of ore extracted, materials and miscellaneous property at the mines not appertaining to the real estate or covered by mortgage, as per inventory	218,513 15

The total value of the real estate, with improvements, and all personal property at New Almaden, and in San Francisco, belonging to the company, excluding the mine, but including the items above specified among the assets, amounts, by the inventory returned to the company December 31st, to the sum of $572,175 95.

By an examination of these accounts, it will appear that at $33 per flask for the remaining stock of quicksilver unsold (the average price for that sold under existing contract having equalled $36 per flask), the financial condition of the company is improved $143,979 23 since December 31, 1867, of which $50,012 were paid in settlement of the Hepburn claim, to perfect the title to the property.

BALANCE SHEET, DECEMBER 31ST.

		Gold.	Currency.
Convertible bond stock		$......	$141,000 00
Real estate mining property, etc		432,230	1,159,895,645 17
Houses and lands		150,307 80	....
Railroad		85,855 00	....
Furnaces		117,500 00	....
Machinery and tools		44,652 35	....
Materials and supplies		129 924 70	......
Miscellaneous property		15,203 10	1,000 00
Ore account		28,733 00	....
Quicksilver, 19 486 flasks, at $30		584,580 00	....
G. F. Forest, Treasurer		56 61	1,322 39
Total		$2,309,042 99	$10,038,967 56
Capital stock		$......	$10,000,000 00
First Mortgage Bonds		500,000 00	....
Second " "		1,000,000 00	....
S. F. Butterworth, Manager		......	....
Advance Account	$448,178 00	616,294 79	....
Call Loans	168,116 79		
Draft account		2,000 00	......
Bills payable		....	25,000 00
Income account		190,748 20	13,967 56
Total		$2,309,042 99	$10,038,967 56

WORKING ACCOUNT.

Expenses.	Gold.
Mine pay roll	$310,275 58
Hacienda pay roll	45,818 90
Miscellaneous expenses	40,384 99
Working supplies	105,275 27

SMITH & PARMALEE GOLD COMPANY.

A report of the affairs of this company states :

" The Trustees, in entering upon their duties in January last, deemed it important to prepare as soon as possible a brief statement of the condition in which they found the property and finances of the company. This they have now done, and hereby communicate the result for your information. The financial statement is brought up to February 1st, 1869, when their new agent took charge of the mines, and covers a period of five years from the organization of the company.

The leading facts presented by this statement are as follows :

That taking the five years together, the receipts from the mines have been less than the expenses by $122,243 85, or an average loss of about $24,000 a year.

That while the entire proceeds of the sale of the Treasury Stock—less the dividend of $42,900 paid in 1864, ($23,870 to the then Trustees themselves,) there is still a balance of indebtedness of the date of 1st February last, of $18,301 83, and also further liabilities ascertained and contingent (or in suit) for the purchase in part of the New York Gold Company of Colorado, mining property of $29,744 more, amounting all to $48,045 83.

That the problem of the possible profitable working of the Mines, by the present machinery, remaining unsolved, and yet to be demonstrated, some provision must be at once made by a preferred stock or mortgage, not only to meet the present indebtedness, of some $48,000, but for the further sum of $35,000, to put the mining works and machinery in good working order, and provide an adequate working capital for their important business operations."

Financial Statement February 1st, 1869.

MINING ACCOUNT PROPER—EXPENDITURES, FIVE YEARS.		RECEIPTS.	
Machinery and mining 4 years and 11 months....	$601,545 56	From mines, 4 years 11 months...	$534,615 03
Payments in New York...........	29,471 04	" " & cash credit January...........	10,187 72
Expenses for Jan, 1869	20,569 92	Re-sale of old machinery..........	9.625 13
Liabilities outstanding 1st Feb., 1869	25,085 2		$554,427 88
Total...............	$676,671 23	Deficit or loss.................	$122,243 85

TREASURY STOCK ACCOUNT.

Receipts from sale of stock, 1864.........................	$51,526 12		
" " " " 1866....................	63,048 68		
" " " " 1868........	25,778 65	$140,353 45	
Profit on Treasury notes, &c................		9,054 00	
		$149,407 45	

PAYMENTS.

Two dividends (1864).................	$42,940 00		
500 shares stock..........	2,525 43		
		$45,465 43	$103,942 02
Amount of liabilities above from receipts all sources.........			$18,301 83
Notes given for New York Company property			9,744.00
Claims now in suit........................			20,000 00
Amount of indebtedness ascertained and contingent....			$48,045 83
For repairs of mill and working capital..			35,000 00
			$83,045 83
Present capital stock, 160,000 shares of $20 each			$3,200,000

JOURNAL OF BANKING, CURRENCY, AND FINANCE.

Returns of the New York, Philadelphia and Boston Banks.

Below we give the returns of the Banks of the three cities since Jan. 1 :

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	L. Tend's.	Ag. clear'gs.
January 2....	$259,090,057	$20,736,122	$34,879,609	$160,490,445	$48,896,421	$585,304,799
January 9....	258,792,562	27,384,730	34,344,156	187,908,539	51,141,128	707,772,051
January 16...	262,338,831	29,258,536	34,279,153	195,484,843	52,927,083	675,795,611
January 23...	264,954,619	28,864,197	34,265,946	197,102,163	54,022,119	671,234,542
January 30...	265,171,109	27,784,923	34,281,156	196,985,462	54,747,569	609,360,246
February 6..	266,541,732	27,989,404	34,246,436	196,602,899	53,424,133	670,329,470
February 13..	264,380,467	35,854,331	34,263,451	192,977,860	52,334,952	690,754,499
February 20..	263,428,064	23,351,391	34,247,321	187,612,546	50,997,197	507,991,049
February 27..	261,871,897	20,832,603	34,247,981	185,216,175	50,835,054	529,816,021
March 6....	262,089,883	19,486,634	34,275,885	182,604,437	49,145,360	727,148,131
March 13.....	261,669,695	17,358,671	34,690,445	182,392,458	49,639,625	629,177,566
March 20.....	263,098,302	15,218,306	34,741,310	183,504,999	50,774,874	730,710,003
March 27.....	263,909,589	12,073,722	34,777,814	180,113,910	50,555,103	797,987,488

PHILADELPHIA BANK RETURNS.

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.
January 4..............	$51,716,999	$352,483	$13,210,397	$38,121,023	$10,593,719
January 11............	51,642,237	544,691	13,498,109	38,768,511	10,593,372
January 18............	52,122,733	478,462	13,729,498	39,625,158	10,596,560
January 25............	52,537,015	411,887	14,054,870	39,585,462	10,593,914
February 1............	52,632,813	392,784	14,296,570	29,677,943	10,599,351
February 8............	53,059,716	337,031	13,785,595	40,080,399	10,586,552
February 15............	52,929,391	204,681	13,573,043	38,711,575	10,582,226
February 22............	52,416,146	231,307	13,208,607	37,990,986	10,458,546
March 1............	52,251,351	256,933	13,010,508	37,735,205	10,458,546
March 8............	52,232,000	297,887	13,258,201	38,293,956	10,458,953
March 15............	51,911,522	277,517	13,028,207	37,570,582	10,459,081
March 22............	51,328,419	225,097	12,765,759	36,960,009	10,461,406
March 29............	50,597,100	210,644	13,021,315	36,863,344	10,472,420

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, $41,900,000.)

Date.	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.
January 4............	$98,423,644	$2,203,401	$12,938,832	$37,538,767	$25,151,345
January 11............	100,727,007	3,075,844	12,864,700	38,082,891	25,276,667
January 18............	102,205,209	2,677,688	12,992,327	39,717,193	25,243,823
January 25............	102,959,942	2,394,790	13,228,874	39,551,747	25,272,300
February 1............	103,696,858	2,161,284	12,964,225	40,228,462	25,312,947
February 8............	104,342,425	2,073,908	12,452,795	39,693,887	25,292,057
February 15............	103,215,084	1,845,924	11,642,856	37,759,722	25,352,122
February 23............	102,252,632	1,545,418	11,260,790	36,323,814	25,304,055
March 1............	101,309,589	1,238,936	11,200,149	35,689,466	25,301,537
March 8............	101,425,932	1,297,599	10,985,972	35,525,680	25,335,377
March 15............	100,820,303	1,277,315	10,869,183	34,081,715	25,351,654
March 22............	99,553,318	1,320,864	10,490,448	32,641,067	24,559,312
March 29............	99,670,9[illegible]	987,769	11,646,222	32,930,430	25,254,167